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ABSTRACT

In an effort to present a descriptive verbal picture of white nonmetropolitan poverty in the Mid-South and to identify those factors contributing to white rural poverty, 1970 census figures were analyzed in conjunction with survey results derived from responses to an 83-item questionnaire made by a random sample of 106 poverty families living in three counties. General characteristics of the white population of the Mid-South were identified as well as poverty-specific characteristics of the Mid-South population. Differential poverty in the Mid-South was analyzed in terms of white and black and metropolitan and rural populations. White poverty in three randomly selected non-metropolitan counties was analyzed in terms of county poverty variations and population attitudes. Correlates of poverty in the Mid-South were assessed in terms of intercounty variations in the poverty rate. Results indicated that in the rural Mid-South: the percent of the white population on an income below the generally accepted poverty cutoff exceeded that of other white populations; poverty of the aged was significant; health problems were significant among the unemployed in the surveyed population; low levels of educational quality/quantity attainment were associated with poverty; underemployment of males and females was comparatively severe, associated with the "discouraged worker" phenomenon, and the industrial structure; a relationship existed between the absolute and/or relative size of the black population and white poverty and between relative isolation, absolute county size, and white poverty. (JC)

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RURAL WHITE POVERTY IN THE MID-SOUTH

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CHAPTER ONE

INTRODUCTION: DEFINITIONS AND CONCEPTS

The riots of the sixties brought America's attention to the problems of the nonwhite urban poor, and the resulting investigations, both political and academic, made the Nation aware of the problems of all the urban poor. Metropolitan areas do not, however, have a monopoly on poverty in the United States. Despite the fact that almost 70 percent of the Nation's population lives in metropolitan areas, almost one-half of the poor are still found living outside these areas. Many factors have contributed to this situation. The mechanization of agricultural production has released thousands of workers from agricultural employment, but neither outmigration nor growth of nonagricultural employment in rural areas has kept pace with the increase in the potential rural nonagricultural work force. There exists significant underemployment in rural areas and a relatively large number of "discouraged workers." In addition, the rural population remains generally less educated than its urban counterpart. Health facilities are often inferior to those found in urban areas, with the result that inadequate health care keeps many rural workers out of the labor force unnecessarily. All these factors, and many more, operate to increase the likelihood of an individual or family in a rural area being forced into poverty.

Although there have not been riots in the rural areas like those in urban areas, the problems of the rural poor are nonetheless real, serious, and urgent. Nor do all the problems of the rural population remain in rural areas. Thousands of rural poor have migrated to metropolitan areas during the past several decades, bringing with them few skills and little education or training--just their poverty. For this and other reasons, the problems of the rural poor, like many of the problems in rural areas, are important not only to the people directly involved but to the social and economic well-being of the entire Nation.

A disproportionate share of the rural poverty in the United States is found in the South. This region contains only one-third of the country's population but one-half of its poverty. As a region, the South remains the most rural and most impoverished area of the Nation. Whereas the rest of the United States was classified as predominantly urban by 1920, the South remained predominantly rural until 1960.[1] A significant portion of the current rural poverty problem and perhaps the future urban poverty problem is found in the South and must be dealt with there.[2]

Southern White Rural Poverty

This study, which is part of a broader research effort, concentrates on a segment of the Southern poverty problem, rural white poverty. This particular portion of that research deals with one of the poorest and most rural areas within the South, the Mid-South.

Emphasis in this research has been placed on white poverty for two reasons. One is that, regardless of the poverty rates of different racial groups, numerically white poverty exceeds that of all other groups. The second reason is the lack of knowledge which currently exists concerning the white rural poor in the South. It has been stated many times that much of the difficulty in solving the problems which face the rural population stems from the relative invisibility of these problems to people in other areas of the Nation. This is certainly true with respect to the rural poverty problem. If indeed it is true that the rural poor are almost invisible to most of the Nation, the Southern rural white poor must be totally so.

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[1] President's Advisory Commission on Rural Poverty, "Rural People and Their Work," in Rural Poverty in the United States (Washington, D.C.: Government Printing Office, 1968), p. 4.

[2] Some writers attribute much of the current poverty problems in all areas to the South. For example, see James Tobin, "Raising the Incomes of the Poor," in Agenda for the Nation, Kermit Gordon, ed. (Washington, D.C.: The Brookings Institution, 1968), pp. 80-83.

The socio-political happenings of the 1960's brought some attention, with justification, to the problems of the nonwhite rural poor in the South--although attention has not necessarily meant solution to the problems. The fact that the incidence of poverty remains substantially greater for nonwhites than for whites attests to this.[3] Despite the high incidence of poverty among nonwhites, seven out of ten nonmetropolitan poor are white. Less is known about the problems and conditions with which these people are faced than is known about those of any other segment of the poverty population. This study, therefore, focuses on the problems of the white poor in the nonmetropolitan South--a segment of the Nation's population which requires attention if it is to be brought into the main stream of a relatively affluent society.[4]

Poverty--What Is It?

Any study of rural poverty is inevitably faced with two definitional problems which must be disposed of before investigation can begin: what is poverty--theoretically and for measurement purposes--and what constitutes rural? The extent and magnitude of the first problem is exemplified

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[3] Approximately 19 percent of the white nonmetropolitan population was classified as being in poverty in 1969 while 33.3 percent of the nonwhite nonmetropolitan population was in poverty.

[4] This decision is in no way intended to infer that the problems of the nonwhite rural population in the South are not extremely important and serious. It is anticipated that a later stage of this research will contain a similar investigation of the nonwhite poor in the South.

by Mollie Orshansky's statement: "Poverty is a value judgement; it is not something one can verify or demonstrate, except by inference and suggestion, even with a measure of error. . . . The concept has to be limited by the purpose which is to be served by the definition."[5] There may very well be as many different definitions of what poverty is as there are theories which attempt to explain why poverty exists and persists. This research was undertaken in an effort to explore the extent, the depth, and the implications of poverty as found in a particular segment of the United States population; consequently, an in-depth analysis of the fine points of the "correct" definition of poverty is beyond the scope and intent of the study. This does not mean that definitional problems can be ignored. They must be given attention because of the influence which a chosen poverty definition will have on the findings and on the possible policy recommendations which result. Therefore, a brief discussion of the definitional problem and a justification of the definition used in this study are in order.

Poverty can be defined in a variety of ways, ranging from the relatively simple identification of the minimum physical necessities required to sustain life to a complete attitudinal-behavioral structure which Lewis has referred to as the "culture of poverty."[6] While the latter concept is not without merit in adding to the general understanding of poverty and its implications, it presents virtually insurmountable problems of observation and quantification. Furthermore, from an empirical viewpoint, such an approach adds little insight into the definition and measurement of poverty. This study, like most of an empirical nature, requires a quantifiable definition with which to work. This type of definition is most easily handled within an economic framework. The decision to use such a definition of poverty should not and will not force the noneconomic implications of poverty from the researchers' view.

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[5] Mollie Orshansky, "How Poverty is Measured," Monthly Labor Review, Vol. 92, No. 2 (February, 1969), pp. 37-41.

[6] Oscar Lewis, The Children of Sanchez (New York: Random House, 1961).

Even within the confines of an economic framework the inability to clearly or precisely define poverty remains. It is relatively easy to speak of poverty as the lack of money, and some have argued that indeed poverty is totally defined in this manner.[7] Others have formulated relatively rigorous and precise economic definitions based on traditional economic frameworks.[8] There is clearly room for much variety and disagreement; however, there are a few points of general concensus. Most investigators of poverty view it as a relative concept which can be defined as a lack of "things" relative to some norm for the particular society being investigated. Moreover, there is agreement that these norms change over time within a given society. Thus, every economic definition of poverty, no matter how precise it attempts to be, is doomed to contain some degree of arbitrariness and some portion of the value judgements of those formulating the definition.

There are two primary bases for economic definitions and measurements of poverty.[9] One is humanistic and defines poverty in terms of some minimum standard of income, goods (market basket), or other absolute measure of well-being. The other is egalitarian in nature, defining and measuring poverty in terms of the portion of total income received by those in the lowest income categories. Both types of measures have their strengths and weaknesses; in fact, a specific definition based on income distribution can be translated into an absolute poverty line--the reverse of course also being true. However, for research purposes it seems that some type of minimum standard would be the appropriate basis for identifying where poverty begins and for the measurement of its extent. Not only does defining poverty in egalitarian terms mean that it is an almost insoluble problem, but it makes difficult if not impossible the measurement of the effects and the depths of poverty, as such a definition tells nothing about the actual situation of the people at the bottom of the income distribution. Moreover, the policy needed for reducing or eliminating poverty is dictated totally by the definition, if poverty is defined in egalitarian terms. While the merits of income redistribution are not the subject of this research, it is a political reality in the United States that elimination of poverty in egalitarian terms is a long way from acceptance in principal and much less in fact. Anyone who deals first hand with people in poverty is aware that there are problems which need and deserve immediate attention and which can be specified in absolute terms. Consequently, the measure of poverty which will be used in this study is stated in absolute rather than in relative terms.

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[7] Milton Friedman, Capitalism and Freedom (Chicago: University of Chicago Press, 1962), p. 192.

[8] One of the best efforts in this area is found in Harold Watts, "An Economic Definition of Poverty," Discussion Paper No. 5 (Madison, Wisconsin: Institute for Research on Poverty, University of Wisconsin, 1967).

[9] For a brief discussion of these concepts see Eugene Smolensky, "The Past and Present Poor," in The Concept of Poverty (Washington, D.C.: Chamber of Commerce of the United States, 1965), pp. 35-68.

This decision does not totally solve the definitional problem, as there are still several possible definitions which could be adopted. The measure chosen could be in terms of income or purchasing power; it could be based on the minimum income level needed to make a family "economically self-sufficient" or it may also be defined in terms of a minimum basket of necessities. Further, the income needed to purchase a minimum basket will vary according to the items included, thus leading to a range of possible income levels which could be termed the poverty line.[10]

This study has based its definition of poverty on the minimum basket concept as reflected in the ability of a family to purchase some given quantity of items from current income. This approach minimizes the empirical measurement difficulties inherent in poverty research. Because this definition is also used by most government agencies and has been adopted by a majority of researchers in the past, it allows the results of this research to be compared with much of what has been done previously.

The actual measure used in this study was in part dictated by the extensive use of Census data. The Bureau of the Census uses a modified version of the Social Security Administration poverty index.[11] In an effort to maintain as much comparability as possible between Census data and primary data collected during the course of this study, the January, 1973, version of this same poverty index was used in all primary data collection.[12]

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[10] For a discussion of the pros and cons of this definitional approach see Morton S. Baratz and William G. Grigsby, The Meaning and Measurement of Poverty (Philadelphia, Pennsylvania: Institute for Environmental Studies, University of Pennsylvania, September, 1968).

[11] For a discussion of this poverty index see Mollie Orshansky, "Counting the Poor: Another Look at the Poverty Profile," Social Security Bulletin, January, 1965; and "Who's Who Among the Poor: A Demographic View of Poverty," Social Security Bulletin, July, 1965. A complete discussion of the version used by the Bureau of the Census can be found in U.S. Department of Commerce, Bureau of the Census, "Revision in Poverty Statistics," Current Population Reports, Series P-23, No. 28 (Washington, D.C.: Government Printing Office, August, 1968).

Defining a Rural Area

"Poverty, which is already predominantly an urban phenomenon, will become increasingly so."[13] This statement as much as any indicates the extent to which the rural poor have become the forgotten poor. In 1965, when this statement was made, 41 percent of all the poor in the United States lived in rural areas.[14] Five years later 46 percent of the poor families lived in nonmetropolitan areas, and of these, 68 percent were classified by the Census as rural.[15] These figures highlight the danger of assuming, as many seem to do, that poverty only occurs in large cities. Certainly the focus has been on the metropolitan poor. In part, the attention which researchers and politicians have given to metropolitan poverty in the last decade has been the result of social and political events. However, much of the lack of attention which is given to the rural poor results from the inability to identify what areas or groups of people can be considered rural. It is difficult to study an area or a group of people if agreement cannot be reached on where the people are or on delineation of the area. In discussing rural poverty the problem of defining or identifying what is "rural" is second only to defining poverty itself.

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[12] "Higher Poverty Guidelines Set for Poverty Programs," Monthly Labor Review, Vol. 96, No. 3, (March, 1973), pp. 59-60.

[13] R. A. Gordon, "An Economist's View of Poverty," in Poverty in America, ed. by Margaret S. Gordon (San Francisco, California: Institute of Industrial Relations, University of California, Berkeley, 1965).

[14] Chamber of Commerce of the United States, Rural Poverty and Regional Progress in an Urban Society (Washington, D.C.: 1969).

[15] U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population, General Social and Economic Characteristics, United States Summary, PC(1)-C (Washington, D.C.: Government Printing Office, 1972), pp. 400-401.

Nor does the government help clarify the definitional problem. The Bureau of the Census generally defines the rural population as all people who live in places of less than 2,500 population. The Department of Labor defines as rural counties where a majority of the population lives in places of less than 2,500. To add to the confusion the Rural Development Act of 1972, for some purposes, includes all persons living outside cities of 50,000 or more and their immediately adjacent urbanized areas as part of the rural population. With little agreement among governmental agencies as to what constitutes rural, it is no wonder that the rural population is some times defined as the farm population, as the total nonmetropolitan population, or almost anything in between. There have also been a few efforts to derive definitions of "rural" based upon functional rather than population criteria.[16]

Part of the difficulty in finding a universal definition of "rural" stems from the fact that what is rural, like what is poverty, can logically be defined in several ways any one of which can be justified by the purpose for which the definition is designed. Part of the problem can also be attributed to the "image" of the rural dweller as being an independent farmer or a resident of the "typical" rural village, a place which Ford has assured us never existed anyway.[17] An additional problem is that areas of similar population size may be more "rural" in some parts of the country than in others. Few who investigate Southern towns between 2,500 and 25,000 population could call them other than rural.

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[16] Dale E. Hathway, Jr., J. Allan Beagle, and W. Keith Bryant, People of Rural America, Bureau of the Census, U.S. Department of Commerce (Washington, D.C.: Government Printing Office, 1968).

[17] Thomas R. Ford, "Rural Community Institutions and Poverty; with Special Reference to Health and Education," in Rural Poverty in the United States-- Report by the National Advisory Commission on Rural Poverty (Washington, D.C.: Government Printing Office, May, 1968), pp. 74-75.

The intent of this study was to investigate rural poverty and its ramifications as extensively as possible within the geographic area specified. To achieve this it was decided to include in the study all persons who lived in the nonmetropolitan sector of the study area. There are several reasons for this. First, in 1969, although less than one-third of the U.S. population lived outside metropolitan areas, nearly half of the poor were found there. In other words, poverty was relatively more extensive in nonmetropolitan areas, with 15 percent of the families classified as being in poverty compared to 8 percent of the families in metropolitan areas.

A second reason for including the entire nonmetropolitan population in the study stems from the belief, derived from research which has been generated in recent years, that the heterogenous groups which make up the nonmetropolitan population, including the farm population, have more in common with each other than can be found in common between any nonmetropolitan group and the metropolitan population, socially, economically, politically, and philosophically. Therefore, many policies designed to alleviate poverty may be adaptable to different groups and to different geographic nonmetropolitan areas but will probably not be at all valid for metropolitan poverty problems and vice versa.

Finally, the nature of the geographic area chosen for this study, the Mid-South, is such that except for the most stringent definitions, rural and nonmetropolitan are synonomous. Certainly the entire area outside the central metropolitan area is rurally dominated.[18]

The result of this discussion and the definitional decisions which have been made mean that this is a study of the white poor who live in the yet to be defined nonmetropolitan Mid-South. The poor are identified as those families who received an income level below that stipulated in the Social Security Administration's poverty index.

Mid-South Area

An area such as the Mid-South is indeed an amorphous creature to delineate. A proposal in 1968 to create a multi-state planning program stated that:

> For years, the Governors and numerous other leaders in Tennessee, Arkansas, Mississippi, and Louisiana have recognized the Mid-South's problems and potentials do not respect state boundaries, and they [are] matters of mutual concern.[19]

The report goes on to say that the "Exact boundaries of the region have not been firmly determined."[20] Another earlier proposal (November, 1967) for a "Mid-South Regional Action Planning Commission" suggested that the region should include 174 counties--20 in Arkansas, 17 in Kentucky, 44 in Louisiana, 58 in Mississippi, 6 in Missouri and 29 in Tennessee.[21] More current definitions of the Mid-South have focused on Memphis, Tennessee, and are based on estimates of the extent to which the city has an impact on surrounding counties in terms of retail and wholesale trade.

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[18] For a more detailed discussion of this point see pages 13-18 of this study.

[19] Regional Economic Development Center, Annual Report--1967-1968 (Memphis, Tennessee: Division for Regional and Urban Studies, Memphis State University, 1968), Appendix 4.

[20] Ibid.

[21] Conference of Mid-South Governors, Proposal for: A Mid-South Economic Development Region and a Mid-South Regional Planning Commission (November, 1967), p. 1.

For example, the Memphis Area Chamber of Commerce in periodic publications considers the Mid-South region to be composed of 105 counties.[22] A study of the Memphis economy made in 1965 claimed that Memphis serves the entire Mid-South and that its sphere of economic influence extends to 52 contiguous counties in Arkansas, Mississippi and Tennessee.[23] An economic profile of Memphis, jointly prepared by the Memphis Light, Gas and Water Division and the Memphis Area Chamber of Commerce, claims a primary market area for Memphis of 76 counties and a Mid-South market area of 286 counties.[24]

It is obvious from the above area definitions that each has a different basis for justification. In this study, a nonmetropolitan economic-geographical region termed the Mid-South composed of 124 counties surrounding Memphis, Tennessee, will be investigated. The area comprises parts of northwestern Alabama, eastern Arkansas, western Kentucky, northern Mississippi, southeastern Missouri and western Tennessee and probably comes closest to the regional definition utilized by the Memphis Area Chamber of Commerce.[25] (See Figure A.) A major consideration in selecting the counties to be included in the Mid-South region was the determination of the existence of such linkages as common physiographical characteristics, cultural traditions, the transport system, the economy and other common items of mutual dependence and interdependence.

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[22] Memphis Area Chamber of Commerce, "Memphis Area Selected Services" (August, 1971), p. 11.

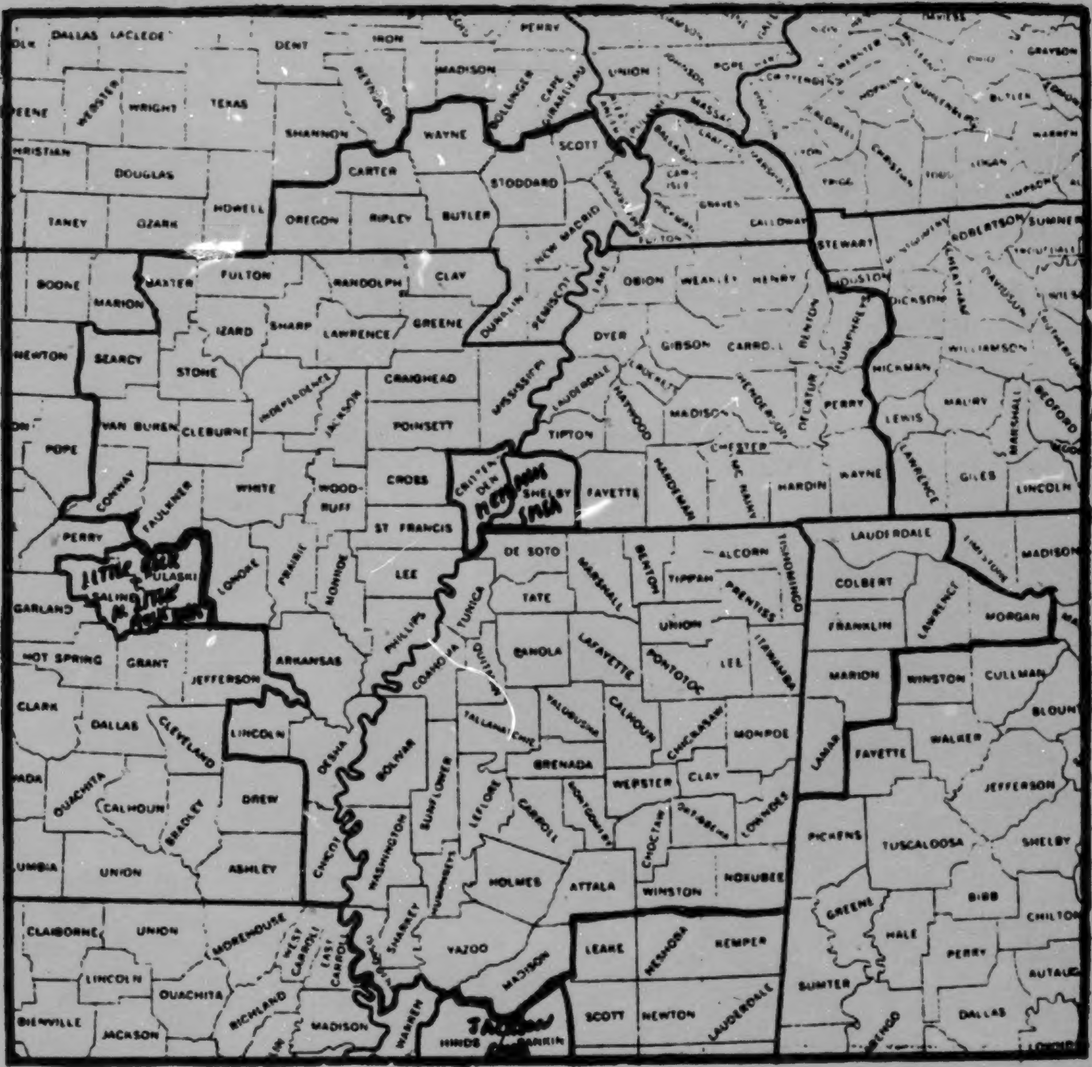
[23] Hammer, Greene, Siler Associates, The Economy of Metropolitan Memphis (September, 1965), p. xvii.

[24] Memphis Light, Gas and Water Division and the Memphis Area Chamber of Commerce, Memphis Economic Profile (1968), p. 11.

[25] A listing by county for each state appears in Appendix A.

Figure A

Mid-South Nonmetropolitan Study Area


Little Rock
Memphis SMSA
Jackson

As currently construed, the area represents a concentric ring of approximately 150 miles from Memphis which attempts to take into consideration "economic area" classifications.[26]

General Characteristics of the Mid-South

In discussing those characteristics that bind an area such as the Mid-South together it appears that the lack of large cities and, hence, the rural nonmetropolitan nature of the population, is an important factor to take into account. Put somewhat differently, Memphis is the only major urban center in the Mid-South and, therefore, its historical influence on the growth of the Mid-South has been pervasive. In order to get an overview of the area, the characteristics of the region will be examined in terms of physiographical factors, cultural inheritance and economic environment.

Perhaps the major geographical characteristic of the region is the Mississippi River and the Mississippi Valley within which it lies. The river has been historically the primary economic and geographic link, both between the various parts of the region and with the rest of the United States. The area's topography varies from hilly country side to completely flat lowlands. The northern, northeastern and eastern fringes of the Mid-South encompass the foothills of the Ouachita Mountains and the Ozark Plateau (northwest) and an extension of the Appalachian system to the east and northeast. These two systems are separated by a protrusion of the Mississippi River lowlands which extends into southern Illinois. To the west and southwest the region slowly gives way from the flat alluvial lands bordering the Mississippi River and the sandy-soil upland areas of the Coastal Plain to prairie land. The majority of the region is composed of the bottom lands of the Mississippi River Valley (the Mississippi Delta) extensions of a number of hilly areas and the flat Southeast Coastal plain in which an elevation of more than 1,000 feet is rarely exceeded.[27] The quality of the soil in the region varies from the rich alluvial type in the bottomlands to the rocky and infertile land of the Ozarks. A moderate climate occurs in most of the region throughout the year although hot weather prevails for a large portion of the year in the southern portion. The region has a long frost-free season and rainfall is ample for most crops.[28]

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[26] Donald J. Bogue and Calvin L. Beale, Economic Areas of the United States (New York: The Free Press of Glencoe, Inc., 1961).

The economy of the region is still influenced by agriculture although there are many signs of change and industrial development. Initially, cotton and tobacco (to the north) formed the region's economic base with farming the basic activity. The uplands in the north and to some extent the east, are basically agricultural although the natural and market conditions for farming are not necessarily good. Current major cash crops are cotton, soybeans, rice, corn and small grains and to a lesser extent sugar cane, tobacco, peanuts, watermelons and pecans. Soybeans alone accounted for 38 percent of the combined total crop cash receipts of the states of Arkansas, Tennessee, and Alabama while cotton accounted for 35 percent of farm income.[29]

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[27] Ibid., p. 269.

[28] Conference of Mid-South Governors, Proposal, p. 3.

[29] U.S. Department of Agriculture Economic Research Service, Farm Income (Washington, D.C.: Government Printing Office, August, 1972).

Timber and forest products are also important in a number of sub-areas of the region and there has been an increase within the last decade of livestock production in the area. Although some minerals are found within the region, mining and extractory type industries (except for clay, limestone and gravel) are relatively minor.

As previously indicated, Memphis is the primary urban center in the region and is the commercial and financial capital of the Mid-South, serving the hinterland in a variety of ways. The economy of the city in the past was based on the resources of the region which resulted in a ". . .progressive development of specialized agriculture and the hardwood lumber and wood products industries."[30] The economy has further progressed from an extractive, agricultural one to a secondary processing and tertiary services-producing economy.[31] The city's manufacturing sector is also quite diversified and consists of: lumber, furniture, and other wood products; cotton seed products; textiles; metal fabricating; electrical and nonelectrical machinery; and transportation equipment and automotive parts, to name a few.

Paper, furniture, apparel, textiles, chemicals, leather, commercial vegetables and stone, clay and glass products all provide job and income opportunities to many workers in the Mid-South. Other manufacturing activities in the region are concerned with preparation of agricultural products for transportation and further refinement in cities such as Memphis.

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[30] Hammer, Greene, Siler Associates, Memphis, p. xvi.

[31] Ibid.

Understanding of the cultural and historical background of the Mid-South can be gained by examining the background of the South as an entity. It has been said that the Southern States

> . . .have a long history of low income, of a high proportion of Negroes in their population, of racial discrimination, of a heavy reliance on farming, of low educational standards and achievement among large segments of the population, and of a society that has tended to concentrate power in the hands of a relatively small group in the upper strata of the social structure.[32]

Needles to say, what is true of the South as a whole, certainly on the surface, appears to be true of the Mid-South.

The Mississippi River has had an important economic influence on the area by serving as a commercial artery for the agrarian society that developed throughout the region. The colonial proprietary system which favored the building of large estates and the establishment of a landed aristocracy became firmly entrenched in the rich cotton-growing sections along the Mississippi River. Social inequality and a feudal system dependent upon slave labor prevailed over most of the area at one time.[33] The evolutionary expansion of commercial and industrial capabilities produced some social progress, however, the agrarian outlook and way of life are still deeply engrained in its culture.

Mid-South Poverty Characteristics

The Mid-South region, defined as a 124 county nonmetropolitan area surrounding the Memphis Standard Metropolitan Statistical Area (SMSA), had a total population of 2,837,640 persons in 1970. Of this number, 74.2 percent (2,106,302 persons) were white. The region also had a total of 723,738 families of which 581,563 (80.3 percent) are white.

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[32] James G. Maddox, et al., The Advancing South (New York: The Twentieth Century Fund, 1967), p. 3.

[33] Conference of Mid-South Governors, Proposal, p. 3.

The specific rationale for emphasizing the plight of the white rural poor in the Mid-South is indicated in the data presented below:

1. 7.7 percent of poor families in the South live in the Mid-South;
2. 28.0 percent of all families in the Mid-South area (202,897 families) have an income less than the poverty level;
3. Of the 202,897 poor families living in the Mid-South 56.9 percent (115,416 families) are white;
4. The 115,416 poor white families in the Mid-South represent 19.9 percent of the total number of white families in the area.[34]

Although the South has a heavy incidence of poverty, the Mid-South area's population has an even higher incidence of poverty than the South as a whole. While 8 percent of the poverty families in the South are located in the Mid-South, only 4.6 percent of all of the South's families reside in the subregion. Furthermore, whereas 16.2 percent of the families in the South were poor in 1969, 28 percent of all families in the Mid-South were poor. Consequently, even though a small percentage of the South's poor are in the Mid-South, there is a greater likelihood of a family living in the area being poor than in the South as a whole.

Economic Problems of the Mid-South

Before concluding the brief description of the Mid-South it would perhaps be beneficial to summarize and highlight some of the economic and social problems of the region--a few of which have only been mentioned implicitly previously:

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[34] U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population, General Social and Economic Characteristics (various states), PC (1).

(1) Continued influence of agriculture on the economy. The area is still basically agriculturally oriented. Although large mechanized farms and agribusiness do exist there are still a large number of small-scale and part-time farms that have low productivity.[35] Even though diversification of the economy is occurring and diversification of agricultural production is also proceeding, there are still a small number of important cash crops.

(2) Few minerals. There are very few minerals to be found in the area which are economically significant. And even though the soils are rich in many areas, a significant portion of the northern and eastern fringes of the area are too hilly (or the soils too poor) for productive farming.

(3) Few metropolitan areas. The Mid-South is sparsely inhabitated relative to most of the rest of the U.S. The area is predominantly rural or nonmetropolitan and contains one-twentieth of the Nation's land mass and only 2 percent of its population. In the past the area has been characterized by ". . .high human fertility," and ". . .lower-than-average population growth. . . .[36] Many of the small and medium size cities experience chronic unemployment and underemployment problems.

(4) Shortage of development capital. Although many states, communities and organizations have attempted (and succeeded in some cases) to attract industry to the area there has been, by and large, a lack of local provision of capital. Therefore, in many cases only those companies with plants located outside of the region with established financial strength have located in the South.

(5) Lack of markets. A sparsely inhabited region has naturally led to the lack of establishment of any large locally oriented industries in most areas of the Mid-South. The small number of persons, compounded with a low-income rural population means poor purchasing power. Mechanization of agriculture may not improve the purchasing power of those it employs in more skillful activities and certainly destroys the income of those who are redundant.

(6) Unskilled labor force. One of the major reasons given by industry as to why it does not locate in the South and Mid-South is the lack of skilled workers. The southern labor force is hampered by low productivity, due in part to backward types of

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[35] Bogue and Beale, Economic Areas, p. 218.

[36] Ibid.

production methods. Other problems that compound the labor force situation are the massive amounts of outmigration that have occurred and the specific lack of managerial or entrepreneurial personnel.

It should be obvious from scanning the above that these problems are not independent of each other. For example, the ". . .cause of low incomes of the southern people has been their low productivity. . ."[37] which is due to inefficient production methods and a lack of capital. This in turn leads to a high probability of families being in poverty. It is perhaps not an overstatement to say that "The great American Problem of poverty and underprivilege concerns Southern labor."[38]

Data Collection and Methodological Outline

This study has two major purposes. One is to present a descriptive verbal picture of white nonmetropolitan poverty as it exists in the Mid-South. The second is to focus on those factors which contribute to the existence of poverty in the study population. In order to achieve the objectives, data were utilized from two sources. Secondary data were taken from the second and fourth counts of the 1970 Census of Population.[39] Additional data were obtained from a primary sample survey of the white poverty population in the Mid-South. The following briefly outlines the collection of data as well as the general manner in which the data were utilized.

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[37] Maddox, The Advancing South, pp. 6-7.

[38] Henry Simons, "Some Reflections on Syndicalism," Economic Policy for a Free Society (Chicago: University of Chicago Press, 1948), p. 135.

[39] Secondary data used in this study were taken from U.S. Bureau of the Census, Census of Population: 1970 General Population Characteristics, PC(1)-B1, PC(1)-B2, PC(1)-B5, PC(1)-B19, PC(1)-B26, PC(1)-B27, PC(1)-B44 and General Social and Economic Characteristics, PC(1)-C1, PC(1)-C2, PC(1)-C5, PC(1)-C19, PC(1)-C26, PC(1)-C27, PC(1)-C44.

Primary Sample

Analysis of secondary data revealed that the incidence of poverty among the white population in the study area varied from county to county in approximately the same manner as did the percentage of the county population which was white. In order to obtain a sample which was representative of the poverty population, the study area was stratified into three sectors: counties with less than 50 percent white population, counties with 50 to 80 percent white population, and counties with greater than 80 percent white population. One county was selected randomly from each group. The three counties selected were Marshall County, Mississippi; Monroe County, Arkansas; and Weakley County, Tennessee.

A 5 percent sample of the poverty families in each of the counties was interviewed.[40] The families to be interviewed were selected by dividing the three counties into sections and assigning an interviewer to each section. Families were contacted in a house to house survey, with those families which were below the poverty level being interviewed in depth. Table 1 indicates the poverty cutoff levels which were used. Interviewing continued until the requisite number of interviews had been completed in each county. The result was a usable random sample of 106 poverty families.

Analytical Plan of Study

The immediately following chapter presents a profile of the white population of the nonmetropolitan Mid-South, with emphasis on the poverty segment of that population. The profile, which is based on data derived

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[40] It was assumed that the number of poor families in each county at the time of the survey was the same as had been in the county when the 1970 Census was conducted.

TABLE 1

POVERTY INCOME GUIDELINES

Family Size	Nonfarm	Farm
1	2,100	1,800
2	2,725	2,325
3	3,450	2,950
4	4,200	3,575
5	4,925	4,200
6	5,550	4,725
7	6,200	5,275

Source: Monthly Labor Review, Vol. 96, No. 3 (March, 1973), p. 60.

from the 1970 Census of Population, discusses the study population with respect to general economic characteristics such as income distribution and labor force status as well as demographic characteristics such as age distribution and family structure. The profile is designed to give a general picture of the total white population in the study area and to facilitate contrast and comparison of the white poverty subgroup with the total white population.

Having established the profile in Chapter 2, the analysis in Chapter III extends the knowledge of the relative position of the white poor in the Mid-South by comparing the white nonmetropolitan population, both total and poor, with the nonwhite nonmetropolitan population in the study area and with the Mid-South white metropolitan population. The basis for these comparisons is data derived from the 1970 Census of Population.

Once the general characteristics of the white poor have been established from secondary data, primary data are utilized in Chapter 4 to expand the information concerning the characteristics of the white poor in the study area. The three counties selected for the primary survey are contrasted with the total study area for representativeness and with each other to highlight differences which may be significant with respect to explaining variations in the rate of poverty among counties in the study area. In addition, Chapter 4 contains a discussion of the attitudes of the poor toward work with respect to satisfactions and toward work as a means of lifting themselves from poverty. This chapter is based upon the information obtained in the primary survey, as well as selected secondary data.

The causes of poverty as reflected in the characteristics of the Mid-South white population are discussed in Chapter 5. The causes of poverty are investigated with respect to the entire study area as well as the variations among counties in the study area. Previous research has identified several factors associated with poverty in a causal manner. The extent to which these characteristics are present in the white population of the nonmetropolitan Mid-South and their probable effect on poverty in the area is analyzed in this chapter.

Although the 124 counties in the study are relatively homogenous in many respects, there was significant variation in the incidence of white poverty among the counties.[41] A regression model which has previously been used to investigate variations in poverty rates among states in the U.S. was adapted to analyze the variations in poverty rates among counties.[42] The purpose was to investigate the extent to which standard variables explain variations in the incidence of poverty within an area where the overall poverty rate is high relative to the rest of the country.

The final chapter of this report offers tentative conclusions concerning the problem of nonmetropolitan white poverty. More importantly, the chapter discusses areas which appear to offer added insight into the particular problems of the nonmetropolitan white poor, areas which demand further research efforts if these problems are to be solved.

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[41] The rate of white poverty in the counties ranged from 10 percent to over 40 percent.

[42] The model used was an adaptation of Thurow's model. For a detailed discussion of this model as applied to the U.S. see Lester Thurow, Poverty and Discrimination (Washington, D.C.: The Brookings Institution, 1969).

CHAPTER TWO

CHARACTERISTICS OF THE WHITE POPULATION

A U.S. Department of Agriculture report published in 1967 states that although poor rural whites were a major and persistant problem they had seldom been the subject of special studies.[43] The South contains over 40 percent of all the white poverty in the United States and an even higher percent of the rural poverty, yet there has been little research which had as its major investigative focus rural white Southern poverty.[44] The area investigated in this project, the Mid-South, has been as neglected as the rest of the South, despite the fact that the area has always borne a disproportionate share of Southern poverty, both white and nonwhite. In fact, the Mid-South is without doubt one of the Nation's poorest areas, containing only 1.4 percent of the total U.S. population but 3.5 percent of the total poor. Relative to the South only, the area is disproportionately poor, with 4.5 percent of the South's total population and 7.7 percent of its poverty.

The white population of the study area also contains an over-representation of poor relative to that found in the white population of the Nation or the South. With 1.2 percent of the Nation's white population and 4.2 percent of the South's, the nonmetropolitan Mid-South contains 2.4 percent of the white poor in the Nation and 6.4 percent of the white poor in the South.

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[43] Alan R. Bird and John L. McCoy, White Americans in Rural Poverty, Agricultural Research Report No. 124 (Washington, D.C.: U.S. Department of Agriculture, Economic Research Service, November, 1967).

[44] Within the South, white poverty has been extensively studied in the Appalachian area. Virtually nothing has been done on rural white poverty in the "deep" South.

The above figures only begin to illustrate the extent of the problem in the Mid-South. The study area contains 3.0 and 7.2 percent, respectively, of the Nation's and the South's white families who are below 75 percent of the poverty level. The area also contains a large number of families barely managing to stay above the poverty level. In fact, 6.9 percent of Southern white families who are below 125 percent of the poverty level live in the nonmetropolitan Mid-South.

This section of the study presents a general description of the white population of the nonmetropolitan Mid-South, with emphasis on those characteristics which might be associated with low income and poverty. Most of the profile will be done in terms of the basic economic decision-making unit, the family, with special attention focused on the characteristics of those families who are actually in poverty. Since the primary purpose of this section is to profile the area's white population, major analysis of the causes of low income and poverty are deferred until a later section of the study.

General Characteristics--White Population of the Mid-South*

There were 581,563 white families in the Mid-South in 1969, representing a total population of 2,106,302. As Figure B indicates, the white population of the area was not evenly distributed but varied significantly from county to county, with some counties having less than 30 percent white population and some having almost 100 percent. There appears to be a discernable pattern to white population dispersion in the area which can be divided into three relatively exclusive categories: (1) counties with less than 50 percent white population, (2) counties with 50 to 80 percent white population, and (3) counties with over 80 percent white population. The category into which a given county will fall is, in general, a function of distance from the lower Mississippi River Delta section of the study area. Those counties with the smallest percent white population are located in the "Delta" itself while those with the largest percent white population are found in the Ozark section of Arkansas and Missouri, in northeast Mississippi and in northern Tennessee and southern Kentucky.

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* For the reaminder of this section the term Mid-South should be interpreted as referring to the nonmetropolitan Mid-South area.

Two noticeable exceptions to this pattern can be seen in Figure B. DeSoto and Tate counties in Mississippi contain a disproportionately high white population in relation to surrounding counties. This is primarily the result of white workers from Memphis moving into the counties.[45] The other exception is Noxubee county, Mississippi. This county which contains a high black percentage is actually the beginning of what is often referred to as the Alabama "black belt."

This study was directed toward that portion of the white population which was classified below the poverty level in 1969. However, an examination of the characteristics of the total white population can yield valuable insight into the nature and extent of the poverty problem in

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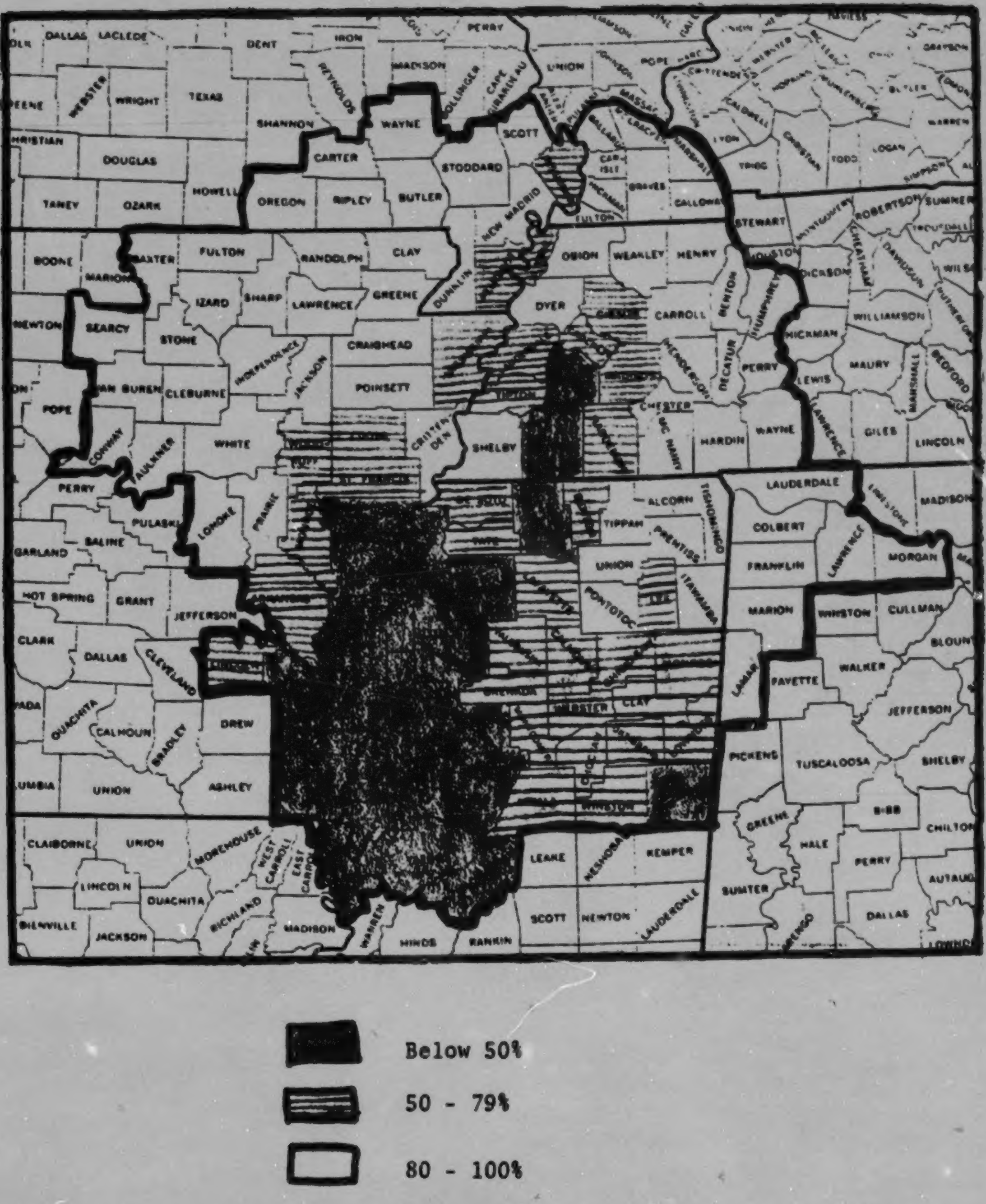
[45] In 1960 both counties had a population which was less than 50 percent white.

Figure B

GEOGRAPHIC DISTRIBUTION OF ThE MID-SOUTH NONMETROPOLITAN WHITE POPULATION


Below 50%
50 - 79%
80 - 100%

the area. Previous studies of poverty have resulted in the development of a general consensus regarding several characteristics of an area's population which can be associated with the incidence of poverty in that area, although there is still much disagreement as to the direction of causation between these characteristics and poverty. The following discussion will concentrate on these factors as a prelude to discussing the Mid-South's poverty population directly.

Income in the Mid-South--Distribution and Sources

The relative well-being of an area's population as well as an indication of the poverty which exists in the area is reflected in income distribution. Table 2 presents the income distribution of white families in the Mid-South. The figures clearly show that the income distribution of the area is skewed toward the lower levels. In 1969, less than 24 percent of the white families in the entire South and less than 18 percent in the Nation received an income below $5,000. As the figures in Table 2 indicate, during the same year 36 percent of the families in the Mid-South received an income below $5,000. At the other end of the income distribution only 26.6 percent of the white families in the Mid-South had an income of $10,000 or more in 1969 compared to 41.0 percent for the South and 49.7 percent for the United States as a whole.

The mean income which accompanies the figures in Table 2 was $7,375. The mean white family income for the South was 16 percent higher, and that of the Nation 55 percent higher than the mean income for white families in the Mid-South. Even within the Mid-South there was considerable variation in white mean incomes among counties with mean incomes ranging from less than $5,000 to over $12,000 in one county. Given what past

TABLE 2

INCOME DISTRIBUTION OF WHITE FAMILIES
(IN PERCENT)

Income Category	Mid-South	U.S.	South
Less than $1,000	4.3	2.0	2.7
1,000 - 1,999	7.8	2.9	4.2
2,000 - 2,999	8.2	3.9	5.0
3,000 - 3,999	7.8	4.4	5.6
4,000 - 4,999	7.9	4.7	6.0
5,000 - 5,999	8.3	5.5	6.8
6,000 - 6,999	8.1	6.0	7.0
7,000 - 7,999	7.8	6.7	7.4
8,000 - 8,999	7.3	7.2	7.4
9,000 - 9,999	6.0	6.9	6.7
10,000 - 11,999	10.0	13.4	12.1
12,000 - 14,999	8.0	14.4	12.1
15,000 - 24,999	6.5	16.9	13.0
25,000 - 49,999	1.6	4.2	3.3
50,000 & Above	0.4	0.8	0.7

Source: Data was derived from U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population, General Social and Economic Characteristics Final Reports, PC(1)-C2 Alabama, PC(1)-C5 Arkansas, PC(1)-C19 Kentucky, PC(1)-C26 Mississippi, PC(1)-C27 Missouri, PC(1)-C44 Tennessee (Washington, D.C.: Government Printing Office, 1972).

information is available, it is not surprising to find that the counties with the lowest mean incomes were concentrated in the Ozark section of the Mid-South. The counties which had the highest mean incomes were located in Mississippi, primarily in the "Delta" section. Arkansas "Delta" counties also exhibited a relatively high mean income.

Income distribution and average income help determine the economic status of families but do not help to identify reasons for the various levels of well being. Some insight into this as well as additional indications of potential poverty problems can be seen by examining the sources of income for white families in the Mid-South. Table 3 indicates that just under 80 percent of all the white families in the area received some income from wages and salaries. This is 8 percent less than for the Nation as a whole. Perhaps of more significance is the fact that almost one-fourth of the white families received social security income while 7.2 percent, almost twice the comparable percentage for the Nation, received public assistance income. While not all families on public assistance and/or social security are in poverty, they are more likely to be than those who do not receive income from these sources.

Education and Age

The above income figures clearly indicate that the Mid-South is economically behind the remainder of the country. The low incomes found to exist in the area should lead to the expectation that, on average, educational levels in the area will be low. As Table 4 shows the white population 25 years of age and over had a relatively low level of education in 1970. Slightly over 23 percent of the total population and 26.2 percent of the male population had less than 8 years

TABLE 3

INCOME OF WHITE FAMILIES BY SOURCE (IN PERCENT)

Source	Mid-South	U.S.
Wages and Salaries	79.4	86.3
Self-Employment - Nonfarm	13.1	11.3
Self-Employment - Farm	14.0	5.0
Social Security	23.8	19.9
Public Assistance	7.2	4.0
Other	26.1	37.4

Source: Data was derived from U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population, General Social and Economic Characteristics Final Reports, PC(1)-C2 Alabama, PC(1)-C5 Arkansas, PC(1)-C19 Kentucky, PC(1)-C26 Mississippi, PC(1)-C27 Missouri, PC(1)-C44 Tennessee (Washington, D.C.: Government Printing Office, 1972).

TABLE 4

WHITE EDUCATIONAL ATTAINMENT
(IN PERCENT)

Years of School Completed	Persons 25 Years Old and Over			Males 25 Years Old and Over		
	Mid-South	U.S.	South	Mid-South	U.S.	South
No School	1.6	1.4	1.6	2.0	1.4	1.8
1 - 4 years	7.1	3.1	5.0	9.1	3.5	5.9
5 - 7 years	14.5	9.1	12.8	15.1	9.7	13.5
8 years	17.1	13.0	11.0	16.9	13.3	11.1
9 - 11 years	20.2	18.8	20.5	18.0	18.2	18.8
12 years	25.3	32.2	27.6	23.7	28.5	24.6
13 - 15 years	7.7	11.1	10.6	7.7	11.1	10.6
16 years or more	6.5	11.3	10.8	7.6	14.2	13.7

Source: Data was derived from U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population, General Social and Economic Characteristics Final Reports, PC(1)-C2 Alabama, PC(1)-C5 Arkansas, PC(1)-C19 Kentucky, PC(1)-C26 Mississippi, PC(1)-C27 Missouri, PC(1)-C44 Tennessee (Washington, D.C.: Government Printing Office, 1972).

of education--almost twice the national percentages for both groups. Equally as important, only 39.5 percent of the population had obtained a high school education or more compared to 49.0 percent for the South and 54.6 percent for the Nation. Furthermore, less than 7 percent of the white population in the Mid-South had a college degree. These figures are significant in what they reveal concerning poverty in the area. Almost all those who have investigated poverty, either its cause or cure, agree that education is of major importance. The educational characteristics of the population of the study area are not surprising following the findings in the discussion of income distribution and vice versa.

In addition to education, age is a population characteristic which often gives insight into the cause of a particular income distribution as well as into the incidence of poverty. The most significant age related characteristic with respect to the latter is the proportion of the population which is over age 65. In the Mid-South, 12.2 percent of the white population was over 65. Compared to the over 65 population of the United States (9.9 percent of the total), this is a high percentage and may well contribute to the area's low average income and high incidence of poverty.

The other end of the age spectrum might also affect poverty, although probably not family income to any great extent. Just under 32 percent of the Mid-South's white population was below age 18. In this respect the area is not significantly different from the entire United States. Therefore, while the number of children under 18 may very well influence, on a family to family basis, who is in poverty and who is not, it probably is not a factor in the overall level of poverty in the area.

Work Related Characteristics

The majority of income in any area, including the Mid-South, is derived from earnings. Therefore, examination of the general labor force characteristics of the population, including occupational and industrial characteristics, will provide additional insight into the distribution of income. Such an examination will also provide background for a discussion of the causes of poverty in the area.

There were 717,599 white males and 790,467 white females of labor force age in the Mid-South.[46] Of these persons, 70 percent of the males and 38 percent of the females were in the labor force in 1970. This is a lower labor force participation rate for both white males and females than is found for the Nation as a whole.[47] While this fact could be associated with low income, it is necessary to examine the labor force characteristics in more detail before tentative conclusions can be rendered.

Characteristics of the White Male Labor Force

In 1970, the white male labor force age population of the study area contained 477,652 persons employed in civilian occupations, 21,848 unemployed, 214,506 persons not in the labor force, and 3,537 in the military. One of these figures, the number of males unemployed, is a characteristic directly related to low income and poverty. Although the unemployment rate for males of 4.4 percent was low by current standards, the comparable rates for the United States and the South during the same time period were

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[46] The standard labor force definition of 16 years of age and older is used here.

[47] For the United States the respective rates are 77.4 and 40.6.

3.6 and 2.9, respectively. Thus, unemployment was relatively high in the Mid-South. This is particularly significant for this study, since unemployment tends to fall most heavily on those likely to be in or near poverty.[48]

Low income and poverty are also associated with underemployment. Unlike unemployment, there is no measure of underemployment available for the Mid-South which is even reasonably accurate. There are, however, two characteristics of the labor force age population which can give an indication of the extent of underemployment. Of the 214,506 males of labor force age who were not in the labor force, 71,050 are under 65 years of age and were not enrolled in school or in an institution. This represents almost twice the percentage found for a similar group on the national level. It is of course true that many of these males are either totally or partially disabled; however, no figure is available as to how many are actually in this situation. If it is assumed that the percentage of white males in the Mid-South who were disabled is the same as that found for the national group (52.2), there were still 33,961 or 5 percent of the total male population over 16 who were able to work but were not in the labor force for some reason. The income distribution of the study area makes it extremely unlikely that many of these persons would have been outside the labor force due to financial independence.

A second indication of the extent of underemployment in the area is shown by the percent of the work force who worked part-time only. In 1969, 16.5 percent of the male labor force worked 26 weeks or less.

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[48] Bradley Schiller, The Economics of Poverty (Englewood Cliffs, New Jersey: Prentice-Hall Inc., 1973), pp. 35-47.

This is 30 percent higher than on the national level and, while it is impossible to classify all part-time workers as underemployed, the high rate would certainly indicate that underemployment is probably a serious problem in the study area.

Characteristics of the White Female Labor Force

The variety of factors which influence the labor force participation of women make it more difficult to assess the relationship between their labor force characteristics and income distribution or poverty. Thus, even though the labor force participation rate is lower for women in the Mid-South than in the Nation, it is difficult to evaluate the significance of this fact. For example, the under 65 noninstitutional female population not in the labor force is approximately the same, as a percentage of the over 16 female population, in the Mid-South as in the entire United States (38.5 compared to 37.9). The fact that the percentage of the area's female population which is over 65 is considerably greater than that found in the Nation as a whole is one possible explanation for the lower overall labor force participation rate of females in the Mid-South.

Unemployment and underemployment seem to be a problem for the female labor force as well as for the male labor force. The unemployment rate was 20 percent higher for females in the Mid-South than for the national female labor force. While the rate is higher, the differential between the area and the Nation is approximately the same as that found for male labor force members. The differential between the area and the Nation with respect to those working 26 weeks or less was only about one-half as great for females as it was for males. The absolute rates, however, were much higher, 32.4 percent for the Mid-South and 28.7 percent for the Nation. Although such high rates would indicate that underemployment may be a serious problem for female workers in the area, caution must be exercised in such an evaluation because women are more likely than men to voluntarily seek part-time employment.

Because the contribution of a second family member to family income is one of the quickest ways for families to escape poverty, it could be anticipated that the pressure of low income would force a significantly greater number of married women into the labor force in the Mid-South than in the Nation generally. This does not in fact turn out to be true. In the Mid-South 40.4 percent of the married women whose husbands were present in the home were in the labor force compared to 39.2 percent for the United States. One cannot explain this on the basis of dependent children. In fact, 38.9 percent of the married women with children under six were in the labor force in the Mid-South, over a fourth more than for the whole United States. Children appear to be less of a determent to labor force participation by women in the Mid-South than elsewhere. With a quarter of the families in the Mid-South earning less than $5,000 in 1969 and an equal percentage having incomes below 125 percent of the poverty level, it is indeed surprising to find a labor force participation rate for married women which is actually slightly less than the national rate. On the other hand, one can assume that without the presence of 40 percent of the married women in the labor force the family poverty rates in the area would be even higher than those which actually exist.

Industrial and Occupational Characteristics

While the labor force characteristics discussed above give insight primarily into the earning or nonearning of income, the industrial and occupational characteristics are more likely to yield an indication of the level of income that could be earned. Both factors can influence the income distribution and the incidence of poverty in an area. The distribution of income which was found in the Mid-South suggests a high concentration of workers in the less skilled occupations, a suggestion which is borne out by the data. Table 5 presents a breakdown of the Mid-South's labor force by 12 occupational categories as well as data for the South and the Nation by four broad categories.

The two figures in the table which attract immediate attention are the relatively high percentage of those in farming in the Mid-South and the relatively small percentage of the area's labor force in white-collar occupations. The implications of this for the current study appear straightforward. It is a well documented fact that farming is associated with a high incidence of poverty.[49] It is also true that white-collar occupations, on average, are higher paying than other types. Therefore, both the high number of farmers and the small number of white-collar workers could help explain the large number of low-income families in the Mid-South.

It is likely that the lower than average number of people in service occupations is a result, not a cause, of low income in the area. People with low incomes are likely to perform for themselves many of the services which wealthier people buy. Additionally, an area which is as rural as

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[49] For example see the several support studies in Rural Poverty and Regional Progress in an Urban Society (Washington, D.C.: Chamber of Commerce of the United States, 1969).

TABLE 5

OCCUPATIONAL DISTRIBUTION OF WHITES IN THE NONMETROPOLITAN MID-SOUTH, THE SOUTH, AND THE UNITED STATES (IN PERCENT)

Occupational Category		Mid-South	U.S.	South
White Collar		38.9	50.6	50.5
Prof., tech., & kindred	10.5			
Mgr. & adm. except farm	8.9			
Sales	6.7			
Clerical	12.8			
Blue Collar		43.7	35.3	36.7
Craftsmen, foremen, & kindred	15.1			
Operatives except transport	20.2			
Transport operatives	4.3			
Laborers, except farm	4.1			
Farm		8.1	3.1	3.4
Farmers & farm mgrs.	5.3			
Farm laborers & foremen	2.8			
Service Workers		9.3	11.0	9.4
Service except private h.h.	8.4			
Private household	.9			

Source: Data was derived from U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population, General Social and Economic Characteristics Final Reports, PC(1)-C2 Alabama, PC(1)-C5 Arkansas, PC(1)-C19 Kentucky, PC(1)-C26 Mississippi, PC(1)-C27 Missouri, PC(1)-C44 Tennessee (Washington, D.C.: Government Printing Office, 1972).

the Mid-South is likely to have a relatively small number of persons employed in service occupations, because rural families tend to buy less services than urban or metropolitan families. Thus, the small number of people in service occupations in the Mid-South relative to the United States, like the rest of the occupational structure, is characteristic of an area which is relatively rural and which has a relatively low-income level.

Most of what is shown in the occupational distribution of the area is reflected in the industrial structure of the area's employed workers. As can be seen in Table 6, approximately 9.1 percent of the area's employment was in agriculture or similar type industries, more than twice the percentage employed in similar industries in the South or the Nation. Of course, these are not normally high wage industries.

At first glance there is one major surprise in the figures in Table 6. Almost 31 percent of total employment in the area was in manufacturing--higher than the comparable figures for the South (23.4) or the Nation (26.2). This would appear to be at odds with the other characteristics which have been discussed. However, examination of this category in more detail reveals that much of the employment is in textiles, wood or food products and light fabricating of nondurable goods. There is relatively little employment in primary industries or in durable goods manufacturing. Not only are the manufacturing industries in which most of the employment in the area is found low paying relative to other manufacturing industries but often relative to jobs in nonmanufacturing industries.

The distribution of the area's employment among the remaining

TABLE 6

INDUSTRY OF EMPLOYMENT OF WHITES (IN PERCENT)

Industrial Category	Mid-South	U.S.	South
Agriculture	9.1	3.7	4.1
Mining	0.4	0.9	1.6
Construction	7.2	6.0	7.4
Durable Manufacturing	13.9	15.6	10.5
Nondurable Manufacturing	16.6	10.6	12.9
Transportation & Warehouse	2.9	3.7	3.7
Communications; Utilities, Sanitary	3.1	3.1	3.2
Wholesale Trade	3.1	4.2	4.3
Food, Dairy, Bakery	3.0	2.6	2.7
Eating & Drinking Places	2.1	3.0	2.5
Other Retail Trade	11.5	10.9	11.7
Finance, Insurance, Real Estate	3.0	5.2	5.0
Business and Repair Services	2.0	3.2	3.1
Private Households	1.0	0.8	0.8
Other Personal Services	2.9	2.8	3.0
Entertainment & Recreation Services	0.4	0.8	0.7
Hospitals	2.4	3.2	2.8
Education & Kindred	7.4	8.0	7.5
Other Professional & Related	4.4	6.1	5.8
Public Administration	3.6	5.3	6.5

Source: Data was derived from U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population, General Social and Economic Characteristics Final Reports, PC(1)-C2 Alabama, PC(1)-C5 Arkansas, PC(1)-C19 Kentucky, PC(1)-C26 Mississippi, PC(1)-C27 Missouri, PC(1)-C44 Tennessee (Washington, D. C.: Government Printing Office, 1972).

industrial categories is similar to that found for the entire United States, with one exception. There is slightly less employment, percentagewise, in the Mid-South in public administration than there is in the entire South or the Nation. The major implication of this in relation to poverty is found in conjunction with the elimination of rather than the cause of poverty; a discussion of the implications are left until a later section of this report. It should be noted that this may also be a result of the rural nature of the area being studied.

There is every reason to believe, from the income distribution of the Mid-South white population, that the incidence of poverty will be high. The population characteristics discussed not only reinforced this belief but help to explain why poverty might be high in the area. Beyond an introduction to the poverty population itself, data on the total population which has been discussed above should be important when one investigates how the Mid-South's poverty population can be helped. In order to gain further insight, it is desirable to examine the characteristics of the segment of the area's population which is in poverty. The remainder of this section of the study is devoted to that examination.

Poverty Population in the Mid-South

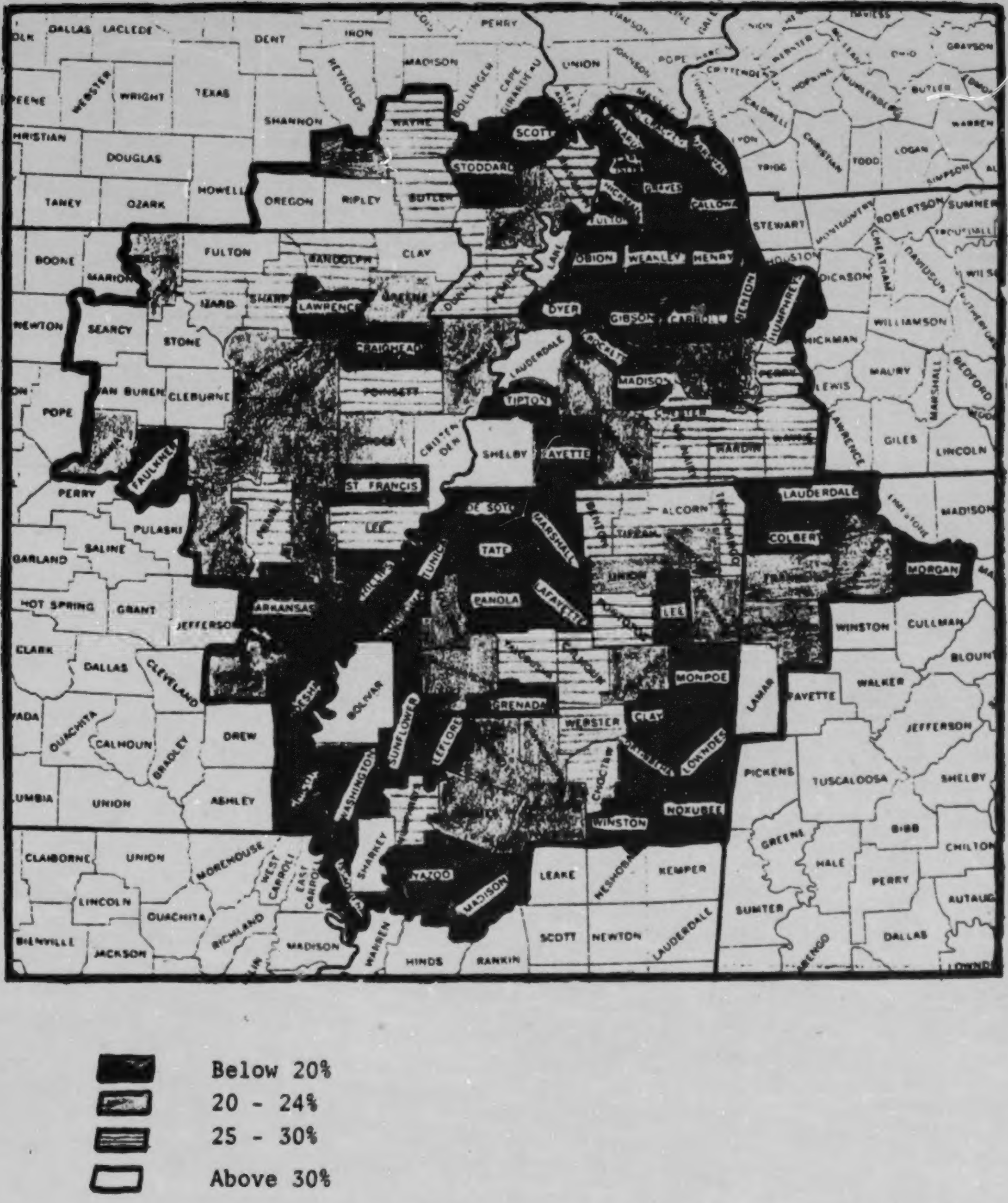
The preceding discussion of selected characteristics of the Mid-South's white population yields strong indications that the incidence of poverty among this population will be relatively high. The figures bear this out. Of the 581,563 white families in the area, 115,416 or almost 20 percent received an income less than the poverty level in 1969. There were also 72,320 unrelated individuals in the Mid-South whose 1969 income was below the poverty level. The incidence of poverty which the above figures reflect is twice that for the South as a whole and three times that for the entire United States. Furthermore, 65 percent of the white families whose income placed them below poverty levels received an income which was less than 75 percent of the poverty income line. The white poor in the Mid-South are very poor indeed!

As was true for the white population generally, white poverty is not evenly distributed throughout the area. (See Figure C.) Two sections of the Mid-South exhibit an extremely high incidence of poverty--the Arkansas-Missouri Ozarks and an area composed of counties in extreme northeast Mississippi and seven Tennessee counties to the north of the Mississippi counties. Poverty rates in these counties range from above 25 percent to over 40 percent. These counties are also those in which an extremely high percentage of the population is white; this makes white poverty significant, not only in percentage terms but in absolute terms as well.

In general, the lowest incidence of poverty among the whites was found in those counties which have a relatively small white population. For example, Sunflower county, Mississippi, which is only 37.2 percent white, has a poverty rate of 16.7 percent among its white families. The population of St. Francis county, Arkansas, was slightly more than one-half white, 52.7 percent, while the incidence of poverty among white families was 16.0 percent. The same pattern holds true for most of the counties in the Delta areas of Mississippi and Arkansas. Noxubee county, which is on the Mississippi-Alabama border, was 34.2 percent white with a white poverty rate of 13.3 percent and Fayette county, Tennessee, near the center of the Mid-South area, was 38.8 percent white with 17.7 percent

Figure C

GEOGRAPHIC DISTRIBUTION OF WHITE NONMETROPOLITAN FAMILY POVERTY IN THE MID-SOUTH


DALLAS
LACLEDE
DENT
IRON
PERRY
UNION
JOHNSON
POPE
WEBSTER
WRIGHT
TEXAS
SHANNON
REYNOLDS
MADISON
BOLLINGER
CAPE GIRARDEAU
WAYNE
SCOTT
STODDARD
CHRISTIAN
DOUGLAS
HOWELL
OREGON
RIPLEY
BUTLER
TANEY
OZARK
CRITTENDEN
CALDWELL
HOPKINS
MUHLENBERG
BUTLER
GRAYSON
WARREN
LYON
TRIGG
CHRISTIAN
TODD
LOGAN
SIMPSON
GRAVES
CALLOWAY
FULTON
HICKMAN
BOONE
MARION
FULTON
RANDOLPH
CLAY
IZARD
SHARP
LAWRENCE
GREENE
DUNKLIN
PEMISCOT
LAKE
OBION
WEAKLEY
HENRY
STEWART
MONTGOMERY
ROBERTSON
SUMNER
HOUSTON
CHEATHAM
DAVIDSON
DICKSON
NEWTON
SEARCY
STONE
CRAIGHEAD
DYER
GIBSON
CARROLL
BENTON
HUMPHREYS
WILLIAMSON
HICKMAN
RUTHERFORD
MAURY
LAUDERDALE
CROCKETT
MADISON
LEWIS
MARSHALL
BEDFORD
POPE
VAN BUREN
CLEBURNE
POINSETT
TIPTON
PERRY
CHESTER
HENDERSON
HARDIN
WAYNE
LAWRENCE
GILES
LINCOLN
CONWAY
FAULKNER
CROSS
CRITTENDEN
SHELBY
FAYETTE
ST FRANCIS
PERRY
PULASKI
PRAIRIE
LEE
DE SOTO
MARSHALL
BENTON
TIPPAH
ALCORN
TISHOMINGO
LAUDERDALE
LIMESTONE
MADISON
COLBERT
FRANKLIN
MORGAN
GARLAND
SALINE
TUNICA
TATE
UNION
LEE
HOT SPRING
GRANT
JEFFERSON
ARKANSAS
PHILLIPS
PANOLA
LAFAYETTE
PONTOTOC
ITAWAMBA
WINSTON
CULLMAN
BLOUNT
CLARK
DALLAS
CLEVELAND
LINCOLN
DESHA
BOLIVAR
CALHOUN
CHICKASAW
MONROE
LAMAR
FAYETTE
WALKER
NEVADA
OUACHITA
CALHOUN
BRADLEY
DREW
SUNFLOWER
LEFLORE
GRENADA
WEBSTER
CLAY
OKTIBBEHA
LOWNDES
JEFFERSON
CHICOT
WASHINGTON
CHOCTAW
PICKENS
TUSCALOOSA
SHELBY
COLUMBIA
UNION
ASHLEY
HUMPHREYS
WINSTON
NOXUBEE
BIBB
CHILTON
CLAIBORNE
UNION
MOREHOUSE
WEST CARROLL
EAST CARROLL
SHARKEY
ISSAQUENA
YAZOO
LEAKE
NESHOBA
KEMPER
GREENE
HALE
PERRY
AUTAUGA
LINCOLN
OUACHITA
RICHLAND
MADISON
SUMTER
BIENVILLE
JACKSON
MADISON
WARREN
HINDS
RANKIN
SCOTT
NEWTON
LAUDERDALE
MARENGO
DALLAS
LOWNDES
Below 20%
20 - 24%
25 - 30%
Above 30%

of its white families classified as being below the poverty level. Although there are of course a few minor exceptions, the incidence of poverty among white families increased from county to county as the percentage of the population which is white increased. There is one major exception.

An area bordered by Dyer, Gibson, Carroll, Benton and Humphreys counties in Tennessee which contains 16 counties in northwest Tennessee and southwest Kentucky had a population in which the white majority was very high and the incidence of white poverty relatively low. The white population of the counties ranged from 80 to 100 percent of the total and the incidence of white families in poverty was below 20 percent in all counties and below 15 percent in many. This was true even though the mean income of the white population in these counties placed them in the lower one-half of all Mid-South counties with respect to white mean income. The industrial structure of these counties would appear to offer the best explanation of why they differ from other Mid-South counties where the relationship between the size of the white population (percentage) and the incidence of white poverty appears strong.

Income of White Poverty Families

The mean income of white families varied considerably from county to county and the same was true for the mean income of white poverty families. The $1,821 mean income for white poverty families in the Mid-South does not reflect the tremendous county to county variation in mean poverty income, ranging from a low of $761 in Sunflower county, Mississippi, to a high of $2,431 in Lake county, Tennessee. Examination of the area on a county by county basis reveals that in general the mean poverty income for whites was lowest in those counties which had the highest overall mean white income and highest where the overall mean was lowest. For example, the mean income of Coahoma county, Mississippi, was $10,383 for all white families, while the mean income for those in poverty was $1,772. For Issaquena county in Mississippi, the figures are $12,335 and $1,372, respectively. These counties were also the ones with the lowest incidence of poverty among white families. In other words, the chance of a white family being in poverty was less in these counties than in the Mid-South generally, but those who were in poverty were very poor indeed. At the other end of the income spectrum, the mean income of white families in Searcy county, Arkansas was $6,080 and the mean poverty income $2,054, while the figures for Carlisle county, Kentucky, were $6,307 and $1,992 and for Lake county, Tennessee, $7,204 and $2,431.

Characteristics of White Poverty Families

Although income is the most obvious indicator of the circumstances in which poor white families find themselves, there are several characteristics of these families which can yield insight into their situation. One of these characteristics, often discussed in connection with poverty, is the type of family as classified by family head. As Table 7 shows, 18,139 white poverty families (15.7 percent of all white poverty families) were headed by a female. This was 37.6 percent of all white female headed families in the Mid-South, indicating that the chances of a female headed family being in poverty were significantly greater than that of white families in general.

TABLE 7

NONMETROPOLITAN WHITE POVERTY FAMILIES BY TYPE OF FAMILY HEAD (IN PERCENT)

Type of Head	Number of Families	Percent of Families
Female	18,139	15.7
Male 65 and over	35,019	30.3
Male under 65	62,258	53.9

Source: Data was derived from U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population, General Social and Economic Characteristics Final Reports, PC(1)-C2 Alabama, PC(1)-C5 Arkansas, PC(1)-C19 Kentucky, PC(1)-C26 Mississippi, PC(1)-C27 Missouri, PC(1)-C44 Tennessee (Washington, D.C.: Government Printing Office, 1972).

Families with a male head over 65 accounted for 30.3 percent of all poverty families in the area. When one considers that a significant portion of the female family heads may also be over 65 years of age, it is obvious that the elderly were disproportionately represented among the poverty families.

The remaining 62,258 white poverty families in the Mid-South were headed by a male under the age of 65. The significance of this is that only one-half of the poverty families in the area had a male head of labor force age. The percentage of these family heads who participate in the labor force was approximately 75 percent for most of the counties. When allowance is made for those male family heads under 65 who are totally or partially disabled, it appears that for poor white male family heads who are able to work, the labor force participation rate is not significantly different from that of the nonpoor.[50]

Despite the low mean income for white poverty families in the Mid-South and despite the fact that 15.7 of the poor white families are female headed and 47.9 have related children under 18, only 14.6 percent of the poor white families receive public assistance.[51] This percentage was not constant across counties. Generally, the counties with the lowest percentage of poor white families were also those with the lowest percentage of poor white families on public assistance. When it is recalled that these counties also had the lowest mean incomes for poverty families, it appears, at least superficially, that those poor families in the Mid-South who most need public assistance are often least likely to receive it.

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[50] This is supported by the primary research done in sample counties of the Mid-South area. Families with a male head under 65 and not disabled who were included in the sample had a labor force participation rate for the family head which exceeded 90 percent.

[51] This means approximately one-half of the families in the area receiving public assistance were classified as below the poverty level.

Personal exposure to the white poverty population of the Mid-South easily convinces one that housing for poverty families is a far cry from what would normally be described as adequate. Because of this it is surprising to find that 55 percent of the white poverty households owned their own dwelling unit.[52] This is partially a reflection of the high number of elderly in the poverty population. It also, in all probability, is indicative of the fact that all families in poverty at the time the data were collected have not always been below the poverty level.

The households which rent paid an average (mean) gross rent of $45 per month.[53] This means that the average poverty family who rents was spending 30 percent of its yearly income on housing. Thus, the family had less than $1,300 a year to spend for food, clothing, and all other needed or desired items. This is hardly what could be described as the "good life." Furthermore, this housing which consumed such a large portion of yearly income was often inadequate. In some counties in the area the proportion of housing for the poor which lacked some or all plumbing facilities was as high as 50 percent and was over 25 percent in almost all counties.

Potential Poverty in the Mid-South

The figures cited above make it obvious that white poverty is indeed a serious problem in the Mid-South, not only in terms of the number in poverty but in terms of the magnitude of the poverty which many of these people face. However, simply investigating the characteristics and difficulties of those who are currently in poverty does not reflect the potential problem which exists in the Mid-South with respect to poverty.

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[52] Although not discussed here, this figure gives one an indication of why rising property taxes in almost all counties are such a problem to the poor.

[53] The Bureau of the Census defines gross rent as including the cost of the dwelling unit itself, average utilities and average fuel costs.

Studies which have examined poverty families over time reflect the fact that although the percentage of the population of a given area which is in poverty may remain constant over considerable periods of time, the families in poverty may change significantly.[54] Families often move in and out of poverty during their life cycle with the probability of being in poverty varying considerably with the stage of the life cycle at which a family finds itself. The greater the number of people in an area close to the poverty line, both above and below, the greater is the probability that the area's poverty population will change over time. Although almost any family can fall into poverty under adverse personal circumstances the probability of this happening to those families near the poverty level is much greater. Not only does it take a smaller "push" to send them into poverty but they are less likely to possess those factors, such as education, training, or personal savings, which might keep them above the poverty level in time of personal crisis. It is in this respect that the potential poverty problem of the Mid-South is the greatest. Of the 581,563 white families in the Mid-South, 156,980 or 27 percent of them had an income less than 125 percent of the poverty level in 1969. This compares to 12.5 percent for the Nation and 17 percent for the South. Not only are many of the white families in the area on the brink of poverty where personal adversity could force them quickly below the poverty level, but adverse economic conditions in the Nation or in the region could mean a sudden and dramatic increase in poverty for the white population. The significance of this is that considering the problems of just those who are currently in poverty will not necessarily solve the poverty problems of the Mid-South.

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[54] For a discussion of movement in and out of poverty and differential rates of movement associated with different family characteristics see: Terence F. Kelly, "Factors Affecting Poverty: A Gross Flow Analysis," in The President's Commission on Income Maintenance Programs--Technical Studies, (Washington, D.C.: Government Printing Office, 1970), pp. 1-81.

CHAPTER THREE

DIFFERENTIAL POVERTY IN THE MID-SOUTH

This chapter of the study consists of two sections with the first section presenting and exploring comparative data on whites and blacks, while the second section examines metro and nonmetro poverty differentials. The first part of each section utilizes general Census data as a basis for understanding the Census poverty population data which forms the last part of each section.

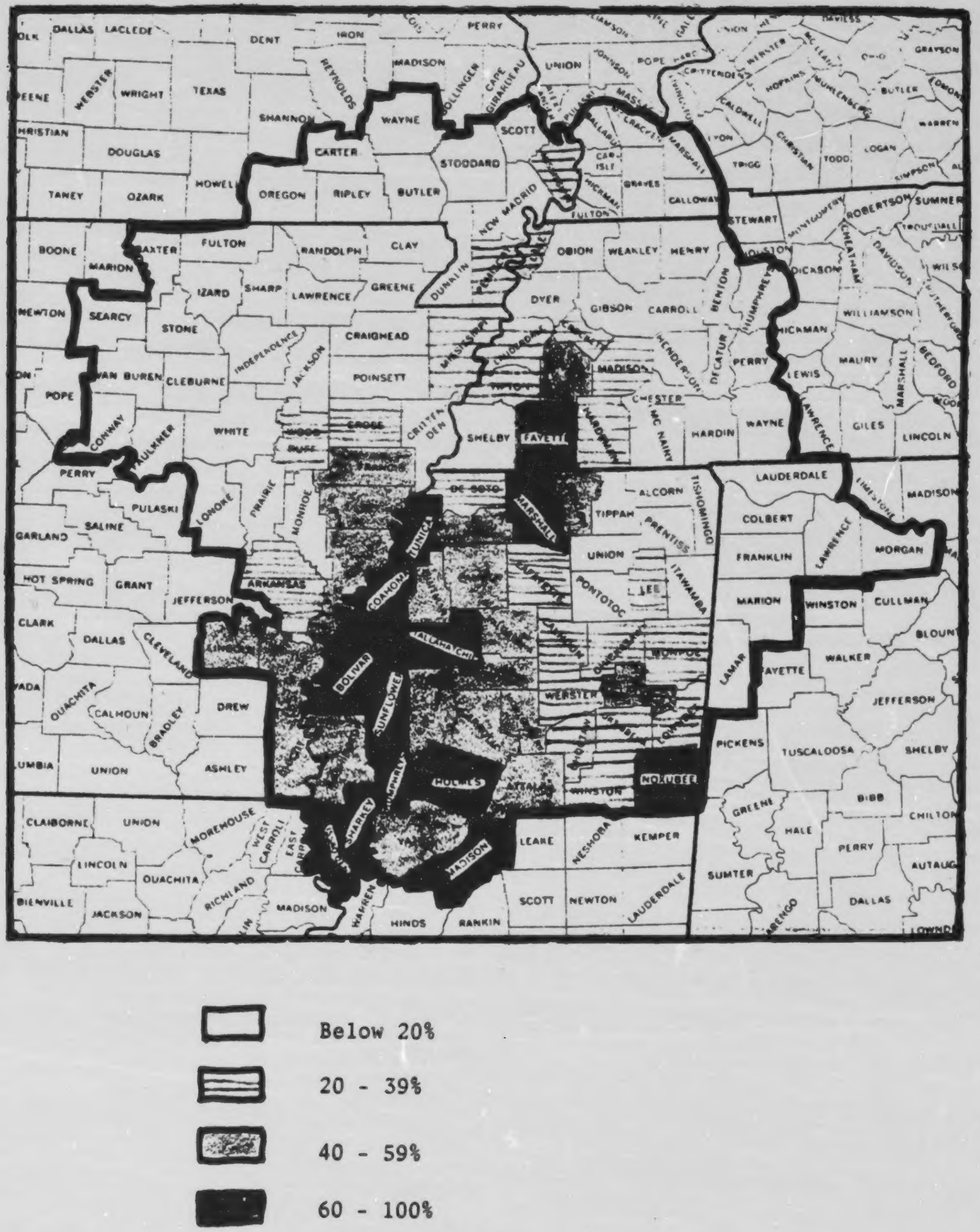
Comparative Characteristics of the White and Black Population

In 1970, although white families in the study area accounted for 80.4 percent of the total families, there were 142,175 black families. The number of white persons in the same area accounted for 74.2 percent of the total population while the number of blacks constituted 25.8 percent of the total population. The differing percentages of the races when expressed in terms of families or persons is due partially to the different average family size of the two races and the definitional exclusion of unrelated persons from family data.

The geographical distribution of the black population is presented in Figure D while the distribution of the white population was presented in Figure B. The geopgraphical distribution of blacks is roughly the inverse of the white distribution and indicates that the black population is heavily concentrated along the Mississippi

Figure D

GEOGRAPHIC DISTRIBUTION OF THE MID-SOUTH NONMETROPOLITAN BLACK POPULATION


DALLAS
LACLEDE
DENT
IRON
PERRY
MADISON
REYNOLDS
BOLLINGER
CAPE GIRARDEAU
UNION
JOHNSON
POPE
WEBSTER
WRIGHT
TEXAS
SHANNON
WAYNE
SCOTT
CARTER
STODDARD
DOUGLAS
HOWELL
OREGON
RIPLEY
BUTLER
TANEY
OZARK
NEW MADRID
FULTON
GRAVES
CALLOWAY
CRITTENDEN
CALDWELL
HOPKINS
MUHLENBERG
BUTLER
GRAYSON
CHRISTIAN
TODD
LOGAN
TRIGG
WARREN
SIMPSON
STEWART
MONTGOMERY
ROBERTSON
SUMNER
BOONE
MARION
BAXTER
FULTON
RANDOLPH
CLAY
OBION
WEAKLEY
HENRY
HOUSTON
CHEATHAM
DICKSON
DAVIDSON
NEWTON
SEARCY
IZARD
SHARP
LAWRENCE
GREENE
DUNKLIN
PEMISCOT
DYER
GIBSON
CARROLL
BENTON
HUMPHREYS
STONE
CRAIGHEAD
MISSISSIPPI
LAUDERDALE
HAYWOOD
MADISON
HENDERSON
DECATUR
PERRY
HICKMAN
WILLIAMSON
RUTHERFORD
POPE
VAN BUREN
CLEBURNE
INDEPENDENCE
JACKSON
POINSETT
TIPTON
CHESTER
LEWIS
MAURY
MARSHALL
BEDFORD
CONWAY
FAULKNER
WHITE
WOODRUFF
CROSS
SHELBY
FAYETTE
HARDEMAN
MC NAIRY
HARDIN
WAYNE
LAWRENCE
GILES
LINCOLN
PERRY
PULASKI
LONOKE
PRAIRIE
ST. FRANCIS
DE SOTO
MARSHALL
ALCORN
TISHOMINGO
LAUDERDALE
LIMESTONE
MADISON
GARLAND
SALINE
MONROE
LEE
TUNICA
TIPPAH
PRENTISS
COLBERT
FRANKLIN
LAWRENCE
MORGAN
HOT SPRING
GRANT
JEFFERSON
ARKANSAS
COAHOMA
LAFAYETTE
UNION
PONTOTOC
LEE
ITAWAMBA
MARION
WINSTON
CULLMAN
CLARK
DALLAS
CLEVELAND
LINCOLN
TALLAHATCHIE
CALHOUN
MONROE
LAMAR
FAYETTE
WALKER
BLOUNT
BOLIVAR
WEBSTER
NEVADA
OUACHITA
CALHOUN
BRADLEY
DREW
SUNFLOWER
JEFFERSON
COLUMBIA
UNION
ASHLEY
HUMPHREYS
HOLMES
ATTALA
WINSTON
NOXUBEE
PICKENS
TUSCALOOSA
SHELBY
BIBB
CLAIBORNE
UNION
MOREHOUSE
WEST CARROLL
EAST CARROLL
SHARKEY
YAZOO
MADISON
LEAKE
NESHOBA
KEMPER
GREENE
HALE
CHILTON
PERRY
AUTAUGA
LINCOLN
OUACHITA
RICHLAND
MADISON
WARREN
HINDS
RANKIN
SCOTT
NEWTON
LAUDERDALE
SUMTER
MARENGO
DALLAS
BIENVILLE
JACKSON
Below 20%
20 - 39%
40 - 59%
60 - 100%

River, with a thin extension across the State of Mississippi to the Alabama "black belt" agricultural district. By and large, the number of blacks diminishes as the distance from the Mississippi River increases. The concentration of whites is, naturally, just the opposite of that of blacks, with whites predominating in the Ozark region and most of the northern and eastern sections of the study area.

Mid-South Income

Income distribution for both the total white and black population is presented in Table 8. Examination of the table indicates 74 percent of the black population receives an annual income of less than $5,000, compared with 36 percent for whites. At the other end of the income distribution, only 5.3 percent of black families received $10,000 or above, compared with 26.5 percent for white families. Allowing for larger family size of blacks gives a slightly larger number of black than white persons in poverty. Such a conclusion is supported by Census data, which reveal that of the total number of persons living in poverty in the Mid-South, 48.7 percent are white and 51.3 percent are black. Therefore, even though the incidence of poverty is probably higher among black families, it should be noted that 140,670 white families compared to 91,520 black families are in the lower four income brackets.

The mean income for white families in the study area in 1969 was $7,375, while the mean income for black families was $3,808. Mean white family income by county ranged from $5,000 to $12,000, while mean black family income ranged from $3,000 to $4,500. In addition, black mean incomes were below the white mean in all 124 counties. White mean incomes were the lowest in such areas as the Ozarks and the

TABLE 8

INCOME DISTRIBUTION OF FAMILIES IN THE NONMETROPOLITAN MID-SOUTH BY RACE

Income Category	White		Black	
	Number of Families	Percent of Families	Number of Families	Percent of Families
Less than $1,000	24,987	4.3	18,375	12.9
1,000 - 1,999	45,081	7.8	29,777	20.9
2,000 - 2,999	47,444	8.2	23,999	16.9
3,000 - 3,999	45,648	7.8	19,369	13.6
4,000 - 4,999	46,166	7.9	13,732	9.7
5,000 - 5,999	48,400	8.3	9,908	7.0
6,000 - 6,999	47,143	8.1	7,607	5.4
7,000 - 7,999	45,212	7.8	5,356	3.8
8,000 - 8,999	42,222	7.3	3,744	2.6
9,000 - 9,999	34,833	6.0	2,866	2.0
10,000 - 11,999	58,405	10.0	3,711	2.6
12,000 - 14,999	46,706	8.0	2,297	1.6
15,000 - 24,999	37,812	6.5	1,093	.8
25,000 - 49,999	9,459	1.6	207	.2
50,000 & Above	2,073	.4	144	.1

Source: Data was derived from U.S. Department of Commerce, Bureau of the Census, *1970 Census of Population, General Social and Economic Characteristics Final Reports, PC(1)-C2 Alabama, PC(1)-C5 Arkansas, PC(1)-C19 Kentucky, PC(1)-C26 Mississippi, PC(1)-C27 Missouri, PC(1)-C44 Tennessee* (Washington, D.C.: Government Printing Office, 1972).

northern and eastern parts of the study area where the white population is concentrated. Conversely, black mean incomes were usually the highest where blacks represented a smaller percentage of the total population. Although there were some exceptions, most of the counties with low black mean income were located in, or adjacent to, the Mississippi Delta area. This same area had the highest white mean incomes.

Family income sources for both whites and blacks are portrayed in Table 9. Perusal of this table reveals that wages and salaries are of equal importance as an income source to both whites and blacks. Self-employment, both farm and nonfarm, is a significantly more important source of income for whites than blacks. Social security and public assistance are much more important sources of income to blacks than whites.

Demographic and Other Characteristics

Both education and age are often looked upon as contributing or causal factors of poverty. That is, the lack of education and inferior skills and training often lead to poor jobs and, hence, poor earning power. Youthfulness and old-age are also associated with low-earning power.

As discussed in the previous section on white poverty, the total white and male white population over 25 years of age in the study area had a relatively low level of education compared to the rest of the South and the U.S. Table 10 reveals that approximately 23.2 percent of the study area's white population (26.2 percent for the male white population) had less than an eighth grade education. Slightly over 58.7 percent of the black population (65.6 percent of the black male

TABLE 9

INCOME OF NONMETROPOLITAN FAMILIES IN THE MID-SOUTH BY RACE

Source	White		Black	
	Number of Families	Percent of Families	Number of Families	Percent of Families
Wages & Salaries	461,532	79.3	113,417	79.8
Self-employment, nonfarm	75,927	13.1	5,808	4.1
Self-employment, farm	81,405	14.0	11,581	8.2
Social Security	138,572	23.8	40,457	28.5
Public Asst.	41,981	7.2	40,048	28.2
Other	123,784	26.1	12,660	8.9

Source: Data was derived from U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population, General Social and Economic Characteristics Final Reports, PC(1)-C2 Alabama, PC(1)-C5 Arkansas PC(1)-C19 Kentucky, PC(1)-C26 Mississippi, PC(1)-C27 Missouri, PC(1)-C44 Tennessee (Washington, D.C.: Government Printing Office, 1972).

TABLE 10

EDUCATIONAL ATTAINMENT IN THE NONMETROPOLITAN MID-SOUTH BY RACE

Years of School Completed	White Persons 25 Yrs. Old & Over				Black Persons 25 Yrs. Old & Over			
	Total		Male		Total		Male	
	No.	%	No.	%	No.	%	No.	%
No School	19,269	1.6	11,457	2.0	21,243	6.9	12,018	8.8
1 - 4 years	85,850	7.1	51,421	9.1	76,326	24.7	42,275	30.8
5 - 7 years	173,952	14.5	85,755	15.1	83,570	27.1	35,669	26.0
8 years	205,443	17.1	95,717	16.9	41,734	13.5	15,737	11.5
9 - 11 years	242,777	20.2	102,185	18.0	47,430	15.4	16,768	12.2
12 years	304,324	25.3	134,297	23.7	23,126	7.5	9,011	6.6
13 - 15 years	91,659	7.7	43,512	7.7	6,036	2.0	2,393	1.7
16 years	77,943	6.5	42,922	7.6	9,422	3.1	3,403	2.5
Total	1,201,217		567,266		308,887		137,274	

Source: Data was derived from U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population, General Social and Economic Characteristics Final Reports, PC(1)-C2 Alabama, PC(1)-C5 Arkansas, PC(1)-C19 Kentucky, PC(1)-C26 Mississippi, PC(1)-C27 Missouri, PC(1)-C44 Tennessee (Washington, D.C.: Government Printing Office, 1972).

population) had less than an eighth grade education. Years of discrimination, social deprivation and inferior separate schools have contributed to the poor educational attainment of blacks.[56] Needless to say, the educational attainment of whites relative to the South and Nation is also quite low. In absolute terms, there are over twice as many whites over age 25 (279,071) as blacks (181,139) that have less than an eighth grade education. The ratio is approximately the same for white males over age 25 (148,633) compared to black males (89,962) in the same age category.

Census data on age, another demographic characteristic, reveal that in the Mid-South, 12.2 percent of the white population is over 65, compared with 10.9 percent of the black population. At the other end of the age spectrum, 31.7 percent of the whites and 47.7 percent of the blacks in the area are under age 18. Consequently, only 55.8 percent of the white population and 41.4 percent of the black population are within the age span for work eligibility. Furthermore, the closer the proximity to either of the ends of the age spectrum, the lower the labor force participation rates and the higher the incidence of unemployment.

Comparative Labor Force Characteristics

The section on labor force data in Chapter 2 indicated that 70 percent of the white males and 38 percent of white famles of labor force age were in the labor force in 1969. In the Mid-South there were 190,989 black males and 228,995 black females of labor force age, of which 56.9 percent of the males and 36.0 percent of the females were in the labor force. The smaller number of black males in the labor force relative to white males is not unexpected, given years of discrimination, outmigration of those in age brackets that should have the highest participation rates and the lack of jobs in many rural areas.[57] In fact, the lack of job opportunities and high-wage paying jobs is reflected in the low labor force participation rates (relative to the South and the Nation) for both blacks and whites.

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[56] Bradley R. Schiller, The Economics of Poverty and Discrimination, p. 121.

During the 1970 Census year, 98,731 black males were employed, 9,427 were unemployed and 534 were military in the 124-county study area. The unemployment rate for black males was 8.7 percent, almost twice that for white males in the same area. However, both white and black male unemployment rates in the Mid-South were higher than the rates for both the South and Nation.

Although any indicator of underemployment is not completely accurate and data even to construct such in the Mid-South are sparse, the two rough indicators used previously give an approximation of the amount of underemployment. Of the 214,506 white males of labor force age who were outside of the labor force in 1970, 33.1 percent were under 65 years of age and not enrolled in a school or institution. At the same time, of the 82,831 black labor-force-age males outside of the labor force, 31.4 percent were under 65 years of age and not in any school or institution. Both of these percentage figures include the disabled but, as was done earlier, assuming that the percent disabled in the study area is the same as that for the Nation as a whole (52.2 percent not in the labor force for white males and 48.1 percent for black males) results in a residual of almost 5 percent white males over age 16 (33,961) and 6.7 percent black males over age 16 (12,528). Another indicator of part-time unemployment or underemployment is the number of persons who worked 26 weeks or less during the year. Sixteen and five-tenths percent of the white males and 31.7 percent of the black males employed were in this category in the Mid-South. Although the second measure of underemployment is overestimated due to those who work part-time voluntarily, the percent of white and black males working 26 weeks or less in the Mid-South is larger than of the U.S.

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[57] Seymour Wolfbein, Work in American Society (Glenview, Illinois: Scott, Foresman and Company, 1971), p. 100.

As noted previously, the labor force participation rate for white females in the Mid-South area is lower than that for the Nation as a whole. The same holds true for black females in the study area, perhaps, reflecting sex discrimination, sparsity of jobs available, and the nature and type of jobs that are available. Whereas, the percent of white females under 65 who were not in the labor force (and not in institutions or schools) was 38.5 percent for the Mid-South and 37.9 percent for the U.S., comparable rates for black females were 36.1 percent and 35.5 percent, respectively. The relative availability of "negro jobs" in the form of low-skilled service and low-wage paying nondurable manufacturing jobs is one factor which probably contributes to the slightly lower percentage of black females than white females in this category.

Unemployment rates are usually higher for females than for males; in keeping with this, the unemployment rate in the Mid-South was 12.6

percent for black females compared with 8.7 percent for black males. These figures compare with 6.1 and 4.4 percent for white females and males, respectively. Whereas 32.4 percent of the employed white females worked 26 weeks or less, 55.4 percent of the employed black female labor force over age 16 were in this same category. There is also the possibility that more white than black females voluntarily work part-time, however, data to support such a contention does not exist.

It was noted earlier in another section that in the Mid-South 40.4 percent of married white females (husbands present in home) were in the labor force compared to about the same percentage for the U.S. (39.2 percent). The rates for black females in the Mid-South and the U.S. are 40.5 percent and 52.5 percent, respectively. In other words, approximately the same percentage of females, husbands present, were in the labor force in the Mid-South for both blacks and whites. But, percentagewise more black females, husbands present, were in the labor force nationwide than in the Mid-South.

Young children in the home (under 6 years of age) were not a deterrent to labor force participation for white females, as 38.9 percent of such females (more than one-fourth more than the rest of the U.S.) were in the labor force. On the other hand, the rate for black females in the labor force for the area was lower than that of the U.S.--43.1 percent versus 48.1 percent. Larger family size for blacks is probably a deterrent to employment.

Occupation and Industry of Employment

Occupation and industry of employment should give some insight into the nature of the income earning power of both whites and blacks in the

Mid-South. Previously, it was pointed out that wages and salaries were reported in the Census as a source of income by approximately 80 percent of the Mid-South's families. Table 11 portrays the occupational distribution of whites and blacks in four general and 12 specific occupations. The number of whites in white-collar occupations in the Mid-South is low relative to the U.S. and the South. In addition, the number (as well as the percent) of blacks in such occupations is also small. A relatively large number of whites and blacks are found in farming. However, most blacks are farm laborers as opposed to whites who are mostly farm managers. The large proportion of blacks who are service workers is to a considerable extent the result of black females who engage in private household work, due to the limited variety of employment opportunities open to them. On the surface, it would appear that in the blue-collar occupations there is little difference between races since the percentages of whites and blacks are approximately the same. However, the various specific occupational categories permit wide variation of skills, and a higher percentage of blacks are laborers.

Table 12 lists for whites and blacks the number and percent of those employed in various industries in the Mid-South. As indicated by occupation, a large portion of the total population is employed in agriculture, reflecting the agricultural importance of the area. Surprisingly, the number of persons of both races in manufacturing is relatively high. However, further breakdown of this sector reveals that many persons are connected with either nondurable activities, agricultural processing concerns or other low-wage paying industries. Fewer blacks are found in those industries and activities requiring considerable education or training. Few persons are found in service (except for black females engaged

TABLE 11

OCCUPATIONAL DISTRIBUTION IN THE NONMETROPOLITAN MID-SOUTH, BY RACE (IN PERCENT)

Occupational Category		White		Black
White Collar	38.9		13.4	
Prof., tech., & kindred		10.5		7.4
Mgr. & adm. except farm		8.9		1.5
Sales		6.7		1.1
Clerical		12.8		3.4
Blue Collar	43.7		41.4	
Craftsmen, foremen, & kindred		15.1		7.3
Operatives except transport		20.2		19.3
Transport operatives		4.3		4.8
Laborers, except farm		4.1		10.0
Farm	8.1		15.9	
Farmers & farm mgrs.		5.3		3.1
Farm laborers & foremen		2.8		12.8
Service Workers	9.3		29.2	
Service except private h.h.		8.4		14.9
Private household		.9		14.3

Source: Data was derived from U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population, General Social and Economic Characteristics Final Reports, PC(1)-C2 Alabama, PC(1)-C5 Arkansas, PC(1)-C19 Kentucky, PC(1)-C26 Mississippi, PC(1)-C27 Missouri, PC(1)-C44 Tennessee (Washington, D.C.: Government Printing Office, 1972).

TABLE 12

INDUSTRY OF EMPLOYMENT, BY RACE, IN THE NONMETROPOLITAN MID-SOUTH

Industrial Category	White		Black	
	Number	Percent	Number	Percent
Agriculture, Forestry, Fisheries	68,849	9.1	29,109	17.0
Mining	2,727	.4	357	.2
Construction	54,483	7.2	8,809	5.2
Manufacturing - Durable	104,992	13.9	23,952	14.0
Manufacturing - Nondurable	125,635	16.6	17,093	10.0
Truck Service & Warehouses	22,140	2.9	4,140	2.4
Communications, Util., & Sanitary	23,636	3.1	3,305	1.9
Wholesale Trade	23,224	3.1	2,904	1.7
Food, Dairy, Bakery	22,661	3.0	2,088	1.2
Eating & Drinking Places	15,525	2.1	4,332	2.5
Other Retail Trade	86,757	11.5	8,244	4.8
Fire	22,930	3.0	1,061	.6
Business Repair & Service	15,265	2.0	1,664	1.0
Private Households	7,264	1.0	24,039	14.1
Other Personal Services	21,938	2.9	7,431	4.4
Entertaining & Recreational Ser.	3,191	.4	539	.3
Hospitals	18,390	2.4	4,457	2.6
Education & Kindred	55,712	7.4	19,429	11.4
Other Prof. & Related	33,592	4.4	5,466	3.2
Public Admin.	27,442	3.6	2,322	1.4
Total Employed	756,353	100.0	170,741	100.0

Source: Data was derived from U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population, General Social and Economic Characteristics Final Reports, PC(1)-C2 Alabama, PC(1)-C5 Arkansas, PC(1)-C19 Kentucky, PC(1)-C26 Mississippi, PC(1)-C27 Missouri, PC(1)-C44 Tennessee (Washington, D.C.: Government Printing Office, 1972).

in private household work), health related activities or entertainment and recreational services. This is to be expected in rural areas where development is still in the primary states and medical services and cultural activities are practically nonavailable for the entire, and especially the poverty, population.

White and Nonwhite Poverty Comparisons

The existence of black poverty in the Mid-South and South is a well documented fact and tends, when it does occur, to be pervasive. For example in 1969, 61.5 percent (87,481) of all black families in the Mid-South lived in poverty. Similar data for the U.S. and the South revealed that 29.8 percent and 38.2 percent, respectively, lived in poverty in 1969. Data for whites in the Mid-South, the South and U.S. for the same year revealed that the percentage of white families who lived in poverty was 19.8 percent, 12.0 percent and 8.6 percent, respectively. Such comparisons indicate the more frequent occurrence of poverty among blacks when Mid-South, South and U.S. data are compared. Unfortunately, such comparisons as these--which are often made--neglect absolute poverty numbers. For example, the total number of families in poverty in the Mid-South in 1969 was 202,897, of which, white families (115,416) accounted for 56.9 percent. In addition, the total number of white persons in poverty (450,355) accounted for almost 48 percent of total poverty in the area.

Comparison of the geographical distribution of black and white poverty in the Mid-South reveals some similarities and several unique differences. Before looking at the poverty distribution, however, it will be necessary to briefly review where blacks are to be found.

Figure E illustrates the geographical distribution of the black population and indicates that most blacks are found along or close to the Mississippi River. Counties bordering on "Delta" counties usually have a black population accounting for between 26 and 49 percent of the total. Other than in the Mississippi Delta and Delta fringe, blacks are found sparsely thoughout the area, except for the central part of Mississippi.

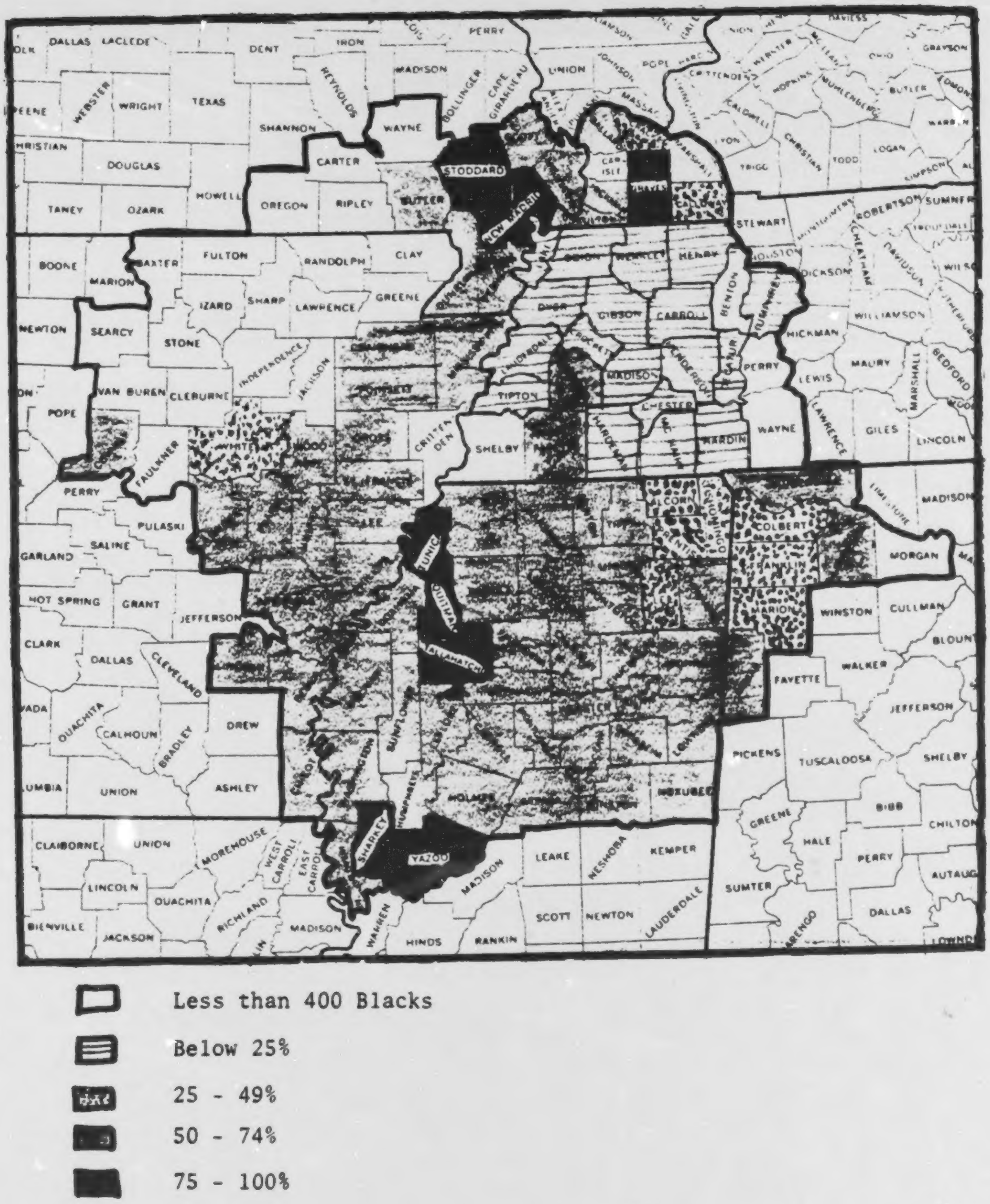
As might be expected, the highest poverty rates for black families generally occur close to the Mississippi River Delta and diminish with movement away from that area. There are, however, a few exceptions to this, in that almost all of north Mississippi has black family poverty rates of between 50 and 100 percent. Furthermore, most of the Tennessee section included in the Mid-South had low poverty rates, even though there are counties (clustered around Memphis and close to the Mississippi State line) that have a relatively large number of blacks.

White poverty in the area occurs with more frequency and tends to affect a greater percentage of the families extensively where blacks do not live. For example, as the previous section has pointed out a high incidence of poverty exists in the Arkansas-Missouri Ozarks and an area composed of counties in extreme northeast Mississippi and seven Tennessee counties immediately north of the northeast Mississippi counties. Both these areas have a relatively low black population. Poverty data for the Ozark regions is not complete; however, Figure E indicates that relative to other blacks in other areas of the Mid-South, blacks in northeast Mississippi and most of western Tennessee are not that bad off.

When compared with white poverty rates for the same areas, the poverty rates for both blacks and whites in northeast Mississippi range from 25

Figure E

GEOGRAPHIC DISTRIBUTION OF BLACK NONMETROPOLITAN FAMILY POVERTY IN THE MID-SOUTH


DALLAS
LACLEDE
DENT
IRON
PERRY
UNION
JOHNSON
POPE
MASSAC
WEBSTER
WRIGHT
TEXAS
REYNOLDS
MADISON
BOLLINGER
CAPE GIRARDEAU
SHANNON
WAYNE
DOUGLAS
CARTER
STODDARD
HOWELL
OREGON
RIPLEY
BUTLER
TANEY
OZARK
NEW MADRID
FULTON
RANDOLPH
CLAY
BOONE
MARION
BAXTER
IZARD
SHARP
LAWRENCE
GREENE
NEWTON
SEARCY
STONE
INDEPENDENCE
JACKSON
VAN BUREN
CLEBURNE
POPE
FAULKNER
WHITE
WOODRUFF
CROSS
CRITTENDEN
SHELBY
POINSETT
TIPTON
PERRY
PULASKI
SALINE
GARLAND
LEE
HOT SPRING
GRANT
JEFFERSON
CLARK
DALLAS
CLEVELAND
OUACHITA
CALHOUN
BRADLEY
DREW
UNION
ASHLEY
TUNICA
QUITMAN
TALLAHATCHIE
SUNFLOWER
HUMPHREYS
HOLMES
SHARKEY
YAZOO
WASHINGTON
CHICOT
CLAIBORNE
UNION
MOREHOUSE
WEST CARROLL
EAST CARROLL
LINCOLN
OUACHITA
RICHLAND
BIENVILLE
JACKSON
MADISON
WARREN
HINDS
RANKIN
MADISON
LEAKE
NESHOBA
KEMPER
SCOTT
NEWTON
LAUDERDALE
NOXUBEE
OBION
WEAKLEY
HENRY
STEWART
DYER
GIBSON
CARROLL
BENTON
HUMPHREYS
HOUSTON
CROCKETT
MADISON
HENDERSON
DECATUR
PERRY
HICKMAN
CHESTER
HARDEMAN
MCNAIRY
HARDIN
WAYNE
LAWRENCE
LEWIS
MAURY
GILES
MARSHALL
BEDFORD
LINCOLN
ALCORN
TISHOMINGO
COLBERT
FRANKLIN
MARION
WINSTON
CULLMAN
MORGAN
MADISON
LIMESTONE
WALKER
BLOUNT
FAYETTE
JEFFERSON
PICKENS
TUSCALOOSA
SHELBY
BIBB
GREENE
HALE
PERRY
CHILTON
SUMTER
MARENGO
DALLAS
AUTAUGA
CRITTENDEN
CALDWELL
LYON
TRIGG
CHRISTIAN
TODD
LOGAN
HOPKINS
MUHLENBERG
WEBSTER
BUTLER
OHIO
GRAYSON
DAVIESS
WARREN
ROBERTSON
SUMNER
MONTGOMERY
CHEATHAM
DAVIDSON
DICKSON
WILLIAMSON
WILSON
RUTHERFORD
TROUSDALE
SIMPSON
FULTON
HICKMAN
CARLISLE
GRAVES
CALLOWAY
MARSHALL
LAKE
☐ Less than 400 Blacks
▤ Below 25%
▦ 25 - 49%
▩ 50 - 74%
■ 75 - 100%

to 50 percent. Further comparison of white and black poverty rates in Tennessee and Kentucky also presents some interesting phenomena:

(1) In the southern part of the western section of Tennessee, white poverty rates are relatively high while black rates are low;

(2) Both white and black poverty rates are low in the northern part of this western section of Tennessee. Such a phenomenon is perhaps explained by the relatively prosperous industrialization in the area;

(3) White poverty in the Kentucky section area included in the study is low while black poverty tends to be relatively high, even though the area is not heavily populated with blacks.

It should be noted that black poverty is always high when the percentage of blacks in the area is high. Black poverty can also be high when the number of blacks in a county or area is relatively low. However, white poverty is only high when the number of whites as a percentage of the total population is high. Rarely is there high incidence of white poverty in those counties which have a relatively small white population. One exception to this is in a six county area in the central part of north Mississippi where although slightly more whites than blacks reside, both white and black poverty is moderate, perhaps indicating a relatively less prosperous area of the Mid-South.

Income of Poverty Families

County by county analysis indicates that the distribution of income among white and black families varied considerably for both total populations and for both poverty populations. The mean poverty family income for black families was $2,040, which is slightly above the mean poverty family income for whites. Black mean poverty income exceeded white mean poverty income from $400 to $900 in all but ten of the study-area's counties. Several factors probably account for this phenomenon. Although they will not be discussed in depth in this section it should be noted that black mean family size is larger than white mean family size (5.1 to 3.3). Furthermore, the longer life span of whites results in a relatively larger number of low-earning elderly persons and a larger percent of blacks (than whites) in poverty receive public assistance.

The previous section discussed the unusual relationship found between mean white family income and mean white poverty family income. The study shows that mean white poverty income is the lowest when mean white income is the highest and highest when mean white income is the lowest. Although there are instances of this occurring on a county by county basis for blacks, such an inverse relationship between the two incomes does not exist for blacks.

Comparison of Selected Family Characteristics

Family characteristic data for those living in poverty is presently limited, thus, this subsection will compare only a few selected characteristics which give further insight into poverty. For example, regardless of race the likelihood that a female headed family is a poverty family is much higher than for all families. Eleven and five-tenths of one percent (83,083) of total families in the Mid-South have female heads of households while 22.5 percent (45,703) of poverty families are headed by females. (See Table 13.)

By race, 31.5 percent (27,564) of black poverty families have a female head of household while only 15.7 percent (18,139) of white poverty families have households headed by females. Black female poverty households account for 79.1 percent of all black families with a female head while

TABLE 13

NONMETROPOLITAN MID-SOUTH POVERTY FAMILIES BY TYPE OF FAMILY HEAD AND RACE

Type of Head	Total		White		Black	
	Number	Percent	Number	Percent	Number	Percent
Female head	45,703	22.5	18,139	15.7	27,564	31.5
Male head 65 & over	52,120	25.7	35,019	30.3	17.101	19.5
Male head under 65	105,074	51.8	62,258	53.9	42,816	48.9

Source: Data was derived from U.S. Department of Commerce, Bureau of the Census, *1970 Census of Population, General Social and Economic Characteristics Final Reports, PC(1)-C2 Alabama, PC(1)-C5 Arkansas, PC(1)-C19 Kentucky, PC(1)-C26 Mississippi, PC(1)-C27 Missouri, PC(1)-C44 Tennessee* (Washington, D.C.: Government Printing Office, 1972).

white female poverty households account for 37.6 percent of all white female headed households. In sum, there is a greater likelihood of finding female headed households in poverty than male household heads, but, black female headed households experience an even greater likelihood of poverty than white female headed households.

The percentage of white male poverty headed households over 65 (of total white poverty households in the Mid-South) was 30.3 percent (35,019) while the number of blacks in the same category was only 19.5 percent. Such a difference is a result in part of shorter life spans of black males. Regardless of the reason for such, it is obvious that male whites over age 65 present a unique and serious poverty problem. Even more serious is the realization that approximately 50 percent of the poverty families in the Mid-South, regardless of race, had a male head of household of labor force age.

The Census data for the 125 county study area reveals that 37.4 percent of all black poverty families received public assistance, while only 14.6 percent of the poor white families received any. Aid to Families with Dependent Children (AFDC) payments or at least the frequency of them would be expected to be higher for blacks than whites, since there are spproximately 65,000 poor black families with related children under 18 compared to 55,300 white poor families with related children under 18. Such, however, does not completely explain the low percentage of whites receiving public assistance.

As might be expected, 55 percent of white poverty households in the rural study area own their homes, compared to 44 percent of black poverty households. Longer life spans of whites and, therefore, the existence of elderly persons who have paid off 20 and 30 year mortgages is probably more prevalent among whites. The mean gross rent paid by black poverty families was $37 per month compared to $45 per month for total poverty families.

The above selected poverty data indicate that even though there are more black female heads of households in the Mid-South than white (as a percent of the respective total populations), in absolute terms there are more white female heads of households than black. Furthermore, it is obvious that regardless of race, the probability of female headed households being in poverty is high. Other inferences drawn from this section indicate that poverty among the elderly is probably higher for whites than blacks; a higher proportion of poverty blacks than poverty whites are receiving public assistance and, by and large, the probability of home ownership is higher for whites than for blacks.

The immediately following section utilizes the same data form as the above in comparing the population of metropolitan areas and the rural nonmetropolitan area. In a few instances, metro and nonmetro comparisons will be broken down by race.

Metropolitan and Nonmetropolitan Poverty Comparisons

The Mid-South is predominantly a rural[58] area encompassing one large SMSA at its center (Memphis) and two smaller SMSA's (Little Rock, Arkansas, and Jackson, Mississippi) on the periphery. Memphis is the major urban area with influence in the total Mid-South, but the other two cities exert considerable economic and social influence in the western and southern portions of the area.

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[58] Except when used in a general sense, the term rural will be used interchangeably with nonmetropolitan throughout this section. Furthermore, consistent with other sections of this monograph, data in the remainder of this section will be for families; however, the percentage of persons living in the rural Mid-South is not significantly different from that of the percentage of families.

Combining the rural population of the 124 counties with the population of the three cities gives a grand total of 4,182,609 persons in the nonmetro and metro Mid-South. More than two-thirds (67.8 percent) of the grand total population is rural and in addition, more whites (73.9 percent) live in the nonmetropolitan area of the Mid-South than blacks. The percentage of whites living in Memphis, Little Rock and Jackson is 62.5 percent, 81.5 percent and 62.8 percent, respectively. It can also be seen that a higher percentage of the total population is black in Memphis and Jackson than in Little Rock and the nonmetro Mid-South. Memphis and Jackson are areas to which blacks have been attracted (rural-urban migration) by the promise of better jobs or by just the existence of jobs. Memphis, in addition, has also historically been a "way station" for South-North migration.[59]

In the following section, nonmetropolitan general Census data for the 124 county study area will be compared with similar data for the three SMSA's. Such data comparisons will provide a framework for the metro and nonmetro poverty data which will be discussed in the last part of this chapter.

Comparative Income

Table 14 portrays the percentage distribution of white family income for various Mid-South geographical classifications. These data show that

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[59] Arvil V. Adams, "Negro Employment in Memphis, Tennessee," in Negro Employment in the South, Ray Marshall, ed. (Austin, Texas: Center for the Study of Human Resources--University of Texas, February, 1973), p. 27.

TABLE 14

INCOME DISTRIBUTION OF WHITE FAMILIES IN THE MID-SOUTH, SOUTH, AND U.S. (IN PERCENT)

Income Category	Nonmetro	Metro				
		Memphis	Little Rock	Jackson	South	U.S.
Less than $1,000	4.3	1.6	2.0	2.0	2.7	2.0
1,000 - 1,999	7.8	2.0	3.0	2.4	4.2	2.9
2,000 - 2,999	8.2	2.7	3.9	3.0	5.0	3.9
3,000 - 3,999	7.8	3.3	4.8	3.6	5.6	4.4
4,000 - 4,999	7.9	4.3	5.7	4.3	6.0	4.7
5,000 - 5,999	8.3	5.4	7.0	5.2	6.8	5.5
6,000 - 6,999	8.1	6.2	7.4	6.9	7.0	6.0
7,000 - 7,999	7.8	6.9	8.4	7.0	7.4	6.7
8,000 - 8,999	7.3	7.8	8.0	7.3	7.4	7.2
9,000 - 9,999	6.0	7.3	7.1	6.6	6.7	6.9
10,000 - 11,999	10.0	14.5	13.5	13.9	12.1	13.4
12,000 - 14,999	8.0	16.0	12.9	15.5	12.1	14.4
15,000 - 24,999	6.5	16.5	12.7	17.2	13.1	16.9
25,000 - 49,999	1.6	4.3	2.9	4.3	3.3	4.2
50,000 & Above	.4	1.2	0.6	0.9	0.7	.8

Source: Data was derived from U.S. Department of Commerce, Bureau of the Census, *1970 Census of Population, General Social and Economic Characteristics Final Reports, PC(1)-C2 Alabama, PC(1)-C5 Arkansas, PC(1)-C19 Kentucky, PC(1)-C26 Mississippi, PC(1)-C27 Missouri, PC(1)-C44 Tennessee* (Washington, D.C.: Government Printing Office, 1972).

a larger proportion of white families in the nonmetro Mid-South are poor than in the Mid-South SMSA's. Rural area white families with incomes below $5,000 accounted for 35.0 percent of all rural white families, while white families with incomes under $5,000 accounted for only 13.9 percent of all white families in Memphis, 19.4 percent in Little Rock and 15.3 percent in Jackson. In addition, while only 26.0 percent of the white families in the nonmetro area are in the $10,000 or above brackets, between 49.7 percent and 52.5 percent of the white families in the three metro areas were in these same higher brackets.

Existence of a large white poverty population in the rural Mid-South is borne out in a comparison of metro and nonmetro mean white family incomes. Mean white family incomes in Memphis, Little Rock and Jackson were $11,880, $10,266 and $11,645, respectively, compared to only $7,375 for the rural Mid-South.

Sources of white family income for Mid-South metro areas and the nonmetro area are listed in Table 15. Self-employed (farm) is a more significant source of income in nonmetro areas and, as might be expected, wages and salaries are a significantly less important source. Industrialization and development lead to higher incomes and thus a wider variety of income sources in metropolitan areas.[60] At the same time, government programs such as social security and public assistance are much more important to the rural population.

Demographic Characteristics

The proportion of persons in the metropolitan areas with an

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[60] Some of these sources are: interest, dividends, rental income, veteran's benefits, workmen's compensation, royalties and public and private pensions.

TABLE 15

INCOME OF WHITE FAMILIES IN THE MID-SOUTH BY SOURCE (IN PERCENT)

Source	Nonmetro	Metro		
		Memphis	Little Rock	Jackson
Wages & Salaries	79.4	89.4	89.0	88.6
Selfemployed - nonfarm	13.1	11.4	10.2	13.0
Selfemployed - farm	14.0	2.4	1.8	2.9
Social Security	23.8	16.2	16.0	15.0
Public Assistance	7.2	2.1	2.4	2.1
Other	26.1	35.3	28.4	25.0

Source: Data was derived from U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population, General Social and Economic Characteristics Final Reports, PC(1)-C2 Alabama, PC(1)-C5 Arkansas, PC(1)-C19 Kentucky, PC(1)-C26 Mississippi, PC(1)-C27 Missouri, PC(1)-C44 Tennessee (Washington, D.C.: Government Printing Office, 1972).

eighth grade education or less varied from a low of 12.9 percent (14.7 percent for males) in Jackson to a high of 18.3 percent (19.8 percent for males) in Memphis. Twenty and one-half percent (22.3 percent for males) of Little Rock's white population had eight or less years of education. The total and male white population in the nonmetro area had acquired a much lower level of education, percentagewise, thru 1970 than the metro populations--23.2 percent of the total white population (24.4 percent of males) had received an eighth grade education or less. Except for Jackson (which had a low number of whites with an eighth grade education or less), the metro areas in the Mid-South also had low educational attainment levels. This indicates, perhaps, that not only the populations of the nonmetro area, but those of the metro area in the Mid-South as well, has experienced a low level of educational attainment. It is also possible that the low level in the metro areas has been affected by rural-urban migration.

At the other end of the spectrum, only 39.5 percent of those attending school graduated from high school (39.0 percent for males) in the nonmetro area while the high school completion record in metro areas was considerably higher. Figures for whites completing high school in the metro area were 71.5 percent for Jackson (70.5 percent for males), 68.6 percent for Memphis (62.3 percent for males) and 61.3 percent for Little Rock (61.6 percent for males).

Other demographic data on the age composition of the population indicate that elderly persons are more apt to be found in the nonmetro area of the Mid-South than in the metro areas. Over 12 percent of the nonmetro Mid-South white population was over 65 years of age, while the rates for Memphis, Little Rock and Jackson were 8.3 percent, 8.1

percent and 9.1 percent, respectively. The number of white persons under age 18 was approximately 32 percent in both the metro and nonmetro areas.

Comparative Labor Force Characteristics

Just over 70 percent of the males 16 years of age and over in the nonmetro area are in the labor force compared to rates of 82.1 percent, 78.7 percent and 79.6 percent for Memphis, Little Rock and Jackson. Higher participation rates for females of 43.0 percent (Memphis, 43.8 percent (Little Rock) and 45.7 percent (Jackson) also exist for the metro areas as opposed to the nonmetro Mid-South (38.0 percent). As might be expected, the unemployment rates of white males in the metro areas were lower than those in the nonmetro area (2.6 percent vs. 4.4 percent) and 4.1 percent or less (6.1 percent nonmetro) for white females. Hence, participation rates for both white males and females are lower and unemployment rates are higher in the nonmetro Mid-South.

Underemployment appears to be less prevalent in the metro areas of the Mid-South than the nonmetro area. Columns 1 and 2 of Table 16 show the percentage of those not in the labor force under 65 who are also not in schools or institutions. The nonmetro area has a higher percent of whites under 65 not in the labor force even if the data are not adjusted to take account of the partially and totally disabled. Columns 3 and 4 of Table 16 also indicate the greater availability of full-time jobs in the urban areas and, therefore, probably a lower number of involuntary part-time work.

Married white females with husband in home are slightly more apt to be found in the labor force in the metro areas than the nonmetro area. Forty-one and one-tenth percent of this group were in the labor

TABLE 16

UNDEREMPLOYMENT IN THE MID-SOUTH (IN PERCENT)

Area	Outside of the Labor Force & not in School or in an Institution (Under 65 yrs. of Age)		Worked 26 weeks or Less (Over 16 yrs. of Age)	
	Male	Female	Male	Female
Nonmetro	33.1	38.5	16.5	32.4
Memphis	23.4	37.8	14.9	33.2
Little Rock	26.6	37.4	11.0	30.3
Jackson	22.2	34.7	11.8	29.0

Source: Data was derived from U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population, General Social and Economic Characteristics Final Reports, PC(1)-C2 Alabama, PC(1)-C5 Arkansas, PC(1)-C19 Kentucky, PC(1)-C26 Mississippi, PC(1)-C27 Missouri, PC(1)-C44 Tennessee (Washington, D.C.: Government Printing Office, 1972).

force in Memphis (43.0 percent in Little Rock and 45.4 percent in Jackson) compared with 40.4 percent in the nonmetro Mid-South area. This observation, of course, is not peculiar to the South or Mid-South. However, data for the Mid-South on women in the labor force with children under 6 is more difficult to explain. Thirty-one and nine-tenths percent of females with children under 6 are in the labor force in Memphis (31.2 percent in Little Rock and 40.0 percent in Jackson) relative to 38.9 percent for nonmetro mothers with children under 6. More readily available child care in the form of relatives and close friends may account for the high participation of females with young children in rural areas.

Occupation and Industry of Employment

Table 17 portrays the types of occupations held by persons living in both the nonmetro and metro areas in the Mid-South. As expected, the number of persons in white-collar occupations account for a significantly greater percentage of the total population in metro areas (almost twice) than they do in the nonmetro area. Both blue-collar occupations and farming are more important in the nonmetro area than in the metro area. Surprisingly, the percentage of white workers in service occupations in both metro and nonmetro areas was approximately the same. Both areas had rates substantially below those for the U.S. but for different reasons. Those living in rural areas tend to provide more services for themselves than those in urban areas, which accounts for most of the relatively low employment in service occupations. The low percentage of workers found in service occupations in the metropolitan areas, however, appears to be a function of the size of the nonwhite population. In Memphis and Jackson, 64.0 percent and 66.4 percent, respectively, of those classified

TABLE 17

OCCUPATIONAL DISTRIBUTION OF WHITES IN THE MID-SOUTH (IN PERCENT)

Occupational Category	Nonmetro	Metro		
		Memphis	Little Rock	Jackson
White Collar	38.9	63.1	56.8	66.5
Prof., tech., & kindred	10.5	15.8	15.9	18.8
Mgr. & adm. except farm	8.9	11.5	10.9	12.9
Sales	6.7	11.6	9.7	10.8
Clerical	12.8	24.2	20.3	24.0
Blue Collar	43.7	28.4	33.0	24.9
Craftsmen, foremen, & kindred	15.1	13.6	15.2	12.4
Operatives except transport	20.2	8.5	10.6	7.1
Transport operatives	4.3	3.6	4.2	3.2
Laborers, except farm	4.1	2.7	3.0	2.1
Farm	8.1	0.6	0.8	1.2
Farmers & farm mgrs.	5.3	0.4	0.4	0.6
Farm laborers & foremen	2.8	0.2	0.4	0.6
Service Workers	9.3	7.9	9.4	7.4
Service except private h.h.	8.4	7.6	8.8	7.1
Private household	1.9	0.3	0.6	0.3

Source: Data was derived from U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population, General Social and Economic Characteristics Final Reports, PC(1)-C2 Alabama, PC(1)-C5 Arkansas, PC(1)-C19 Kentucky, PC(1)-C26 Mississippi, PC(1)-C27 Missouri, and PC(1)-C44 Tennessee (Washington, D.C.: Government Printing Office, 1972).

TABLE 18

INDUSTRY OF EMPLOYMENT OF WHITES
IN THE MID-SOUTH
(IN PERCENT)

Industrial Category	Nonmetro	Metro		
		Memphis	Little Rock	Jackson
Agriculture, Forestry, Fisheries	9.1	1.0	1.2	1.9
Mining	.4	0.1	1.1	1.0
Construction	7.2	5.6	6.8	6.8
Manufacturing	30.5	19.1	19.3	13.3
Truck Service & Warehouse	2.9	5.4	5.0	3.3
Communications, Util., & Sanitary	3.1	3.3	4.0	5.1
Wholesale Trade	3.1	8.5	6.1	6.9
Food, Dairy, & Bakery	3.0	2.6	2.7	2.6
Eating & Drinking Places	2.1	2.1	2.0	1.7
Other Retail Trade	11.5	13.5	12.0	12.3
FIRE	3.0	7.4	7.0	9.7
Business Repair & Service	2.0	3.9	3.4	3.9
Private Households	1.0	0.4	0.6	0.3
Other Personal Services	2.9	3.4	2.8	3.1
Entertaining & Recreational Ser.	.4	0.7	0.6	0.4
Hospitals	2.4	6.9	8.8	7.8
Education & Kindred	7.4	6.5	6.0	7.3
Other Prof. & Related	4.4	3.9	4.3	5.2
Public Admin.	3.6	5.7	6.2	7.4

Source: Data was derived from U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population, General Social and Economic Characteristics Final Reports, PC(1)-C2 Alabama, PC(1)-C5 Arkansas, PC(1)-C19 Kentucky, PC(1)-C26 Mississippi, PC(1)-C27 Missouri, PC(1)-C44 Tennessee (Washington, D.C.: Government Printing Office, 1972).

as service workers were black. In addition, 76.1 percent and 77.0 percent of the blacks in service occupations in the same SMSA's were females.

Data on industry of employment (Table 18) in general is in agreement with the just discussed occupational distribution in the Mid-South. The metro areas are significantly more diversified and manufacturing does not account for as high a percentage of employment in metro areas as nonmetro areas. A higher percentage of workers (though not absolute numbers) in the nonmetro area are found in manufacturing, partially because of limited job opportunities in other industrial categories and because of the large growth of manufacturing jobs in nonmetropolitan areas throughout the South.[61] Relatively fewer workers are found in wholesale and retail trade in the rural area and the number of persons employed in hospitals, in public administration and other tertiary activities is also significantly lower in nonmetro areas. The number of persons found in service related and educational activities is approximately the same in nonmetro and metro areas.

Metro and Nonmetro Poverty in the Mid-South

Regardless of whether white poverty is viewed in terms of total persons or families, poverty in the nonmetro Mid-South is three times higher than that in the metro areas. The proportion of white families in poverty in the nonmetro Mid-South was 19.9 percent compared with 6.1 percent for Memphis, 8.9 percent for Little Rock and 7.1 percent for Jackson. If unrelated persons are included and white poverty is viewed in terms of persons, 22.1 percent of all white persons in the nonmetro Mid-South live in poverty in contrast to 6.1 percent for Memphis, 8.9 percent for Little Rock, and 7.1 percent for Jackson.

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[61] Ray Marshall, Rural Manpower Problems and Programs (Austin, Texas: Center for the Study of Human Resources, 1973), pp. 67-68.

Mean white family poverty income data for metro areas and the nonmetro area show no discernable patterns. Whereas, the mean white family poverty incomes for Jackson ($1,670) and Memphis ($1,769) were below that of the nonmetro Mid-South ($1,821), Little Rock's mean white family poverty income ($1,869) was above the nonmetro area's. Furthermore, a similar differential between nonmetro white and metro white family incomes appears if the incomes for families close to the poverty level are examined. Over 27 percent of the nonmetro white poverty population is below 125 percent of the poverty level, compared with 9.1 percent for Memphis, 13.5 percent for Little Rock and 10.5 percent for Jackson.

Other data concerning the white poverty population which are, unfortunately, not as complete as one would like, include the number of female households, those persons receiving public assistance, the number of males over and under 65 years of age, persons owning their own home and the mean gross rent paid by renters. The number of white female headed households is very small in metro areas (1.8 percent in Memphis, 2.4 percent in Little Rock and 1.9 percent in Jackson) compared to 16 percent of all white families in the nonmetro area.

Perhaps one of the causal factors of white poverty in the nonmetro Mid-South--to be discussed in detail in a later chapter-- is the number of elderly persons in the population. For example, the percentage of households with male heads over 65 in the nonmetro population is significantly greater than the comparable percentage in the metro areas. That is, whereas the figures for the metro areas range from 22 percent to 26 percent, 30.3 percent of poverty households in the nonmetro area were headed by males over 65. Perhaps, as expected, public assistance payments as well as any government transfer payments have greater significance in the rural area. Such payments were received by 14.6 percent of nonmetro white poverty families and by between 9.0 and 10.9 percent of metro families.

Surprisingly, the percent of nonmetro white poverty households owning their own home exceeds the percent owning their homes in the three metro areas. Fifty-five percent of the poverty households in the nonmetro area own their homes while the figures for Memphis, Little Rock and Jackson were 43.2 percent, 53.7 percent and 45.7 percent, respectively. Ownership of farms (or homes) and land appears to be one of the more often sought social and economic goals of rural families. Nevertheless, nonmetro poverty would be worse if more family income was diverted to house or rental payments. Although data on white mean gross rent is not available, the mean gross rent for total poverty families in the rural Mid-South area was below that of the three metro areas. The mean gross rent in the three metro areas was approximately $67 compared to $45 for the nonmetro area.

CHAPTER FOUR

WHITE POVERTY IN THREE NONMETROPOLITAN MID-SOUTH COUNTIES

The Census data discussed thus far in this study have shown that the white population of the Mid-South possesses many of the characteristics associated with a high incidence of poverty; indeed, a relatively high percentage of the white families in the study area were found to be living below the poverty level. There are, of course, limitations to the use of Census data, particularly with respect to investigating the poor themselves. Although the Census data indicate there is significant underemployment, that the poor are in certain occupations, and that lack of education is probably a significant factor in the poverty problem of the Mid-South, it is impossible to draw definite conclusions concerning causes of poverty from Census data alone. Therefore, in order to provide needed insight into the causes and results of poverty in the study area, a sample of poor families in the area were personally interviewed.

The incidence of white poverty in the Mid-South was found to be related to the percentage of the total population in a county which was nonwhite. In Chapter Two the 124 counties were divided into three groups according to the percentage of nonwhite population in each county. In order to assure that the sample would be representative of the Mid-South poverty population, one county from each of the groups was selected at random. Five percent of the poverty families within the counties selected were interviewed;[62] this resulted in 106 usable survey units. The survey instrument contained questions in such areas as work experience, sources of income, education and training, and attitudes toward work.[63]

The results of the primary survey are best utilized in conjunction with the secondary data available from the Census for the counties involved. Throughout this chapter the characteristics of the counties selected will be compared with the characteristics of the entire Mid-South for representativeness. In addition to data which are directly comparable, information from the primary survey will be introduced which extends the analysis beyond the limitations placed upon it by Census data. In effect, this chapter is an intensive study of a sample of the Mid-South counties.

Seventy-three percent of the families in the sample counties were white compared to 80.4 percent for the entire Mid-South. Of the total number of white families in the sample counties (12,184), 19 percent were living under conditions of poverty in 1969 compared to 19.9 percent for the entire study area. The depth of poverty in the sample counties appears to be representative of the entire Mid-South. This is indicated by the fact that 12.7 percent of the white families in the sample counties were below 75 percent of the poverty level, compared with 12.9 percent of all white families in the Mid-South. Nevertheless, over 60 percent of the white poor in all three counties were below 75 percent of the poverty level in 1969.

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[62] Some questionnaires were not usable, primarily due to incompleteness. As a result, the usable questionnaires represent the responses of 4.5 percent of the poverty families in the three counties.

[63] The complete survey instrument is in Appendix B.

Income and Earnings

The income distribution of the sample counties is not significantly different from that of the entire study area, particularly at the lower levels. Table 19 shows that 36.1 percent of the families in the sample received incomes of less than $5,000 in 1969, compared with 36 percent of the families in the Mid-South as a whole. The mean income for the white families in the Mid-South was $7,375 while the three counties had mean incomes which ranged from slightly below the area mean to significantly above ($7,359 to $8,049). The mean income for white poverty families was $1,821 for the Mid-South and two of the three counties sampled had incomes considerably below this average ($1,615 and $1,669) and one was slightly above ($1,870). This would lead to the conclusion that the poverty families in the study area were concentrated at the lowest income levels. As Table 19 indicates, the poverty sample data bears this out, with 58 percent of the families interviewed having an income level below $3,000 and 88 percent below $5,000. However, the mean income of $2,684 was considerably higher than expected. Part of this is, of course, accounted for by inflation that has occurred during the four years between the Census survey and the primary survey of this study.[64] However, the mean income is still higher than expected. This in part also reflects the fact that some of the interviewees were in poverty, primarily as a result of large family size.

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[64] The primary survey was conducted in May of 1973.

TABLE 19

INCOME DISTRIBUTION OF WHITE FAMILIES: PRIMARY SAMPLE, COUNTY SUBSAMPLE, AND MID-SOUTH (IN PERCENT)

Income Category	Poverty Sample	Sample Counties	Mid-South
Less than $1,000	5.0	4.2	4.3
1,000 - 1,999	28.0	8.5	7.8
2,000 - 2,999	25.0	7.7	8.2
3,000 - 3,999	16.0	7.9	7.8
4,000 - 4,999	14.0	7.8	7.9
5,000 - 5,999	6.0	9.2	8.3
6,000 - 6,999	3.0	9.1	8.1
7,000 - 7,999	--	7.5	7.8
8,000 - 8,999	--	7.3	7.3
9,000 - 9,999	--	5.5	6.0
10,000 - 11,999	--	10.2	10.0
12,000 - 14 999	--	8.0	8.0
15,000 - 24,999	--	5.3	6.5
25,000 - 49,999	--	1.5	1.6
50,000 & Above	--	.3	.4

Source: Data was derived from U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population, General Social and Economic Characteristics Final Reports, PC(1)-C2 Alabama, PC(1)-C5 Arkansas, PC(1)-C19 Kentucky, PC(1)-C26 Mississippi, PC(1)-C27 Missouri, PC(1)-C44 Tennessee (Washington, D.C.: Government Printing Office, 1972).

The only significant difference reflected by Census data in the source of income between the Mid-South in general and the sample counties was found in the percent of the families with self-employed farm income--20.4 percent in the sample counties compared with 14.0 percent for the Mid-South. Generally, one would expect to find that poverty families had less wage and salary and self-employed income and more income from other sources than would be true for the general population. The poverty sample data reflect this expectation. Less than 50 percent (46.2) of the families interviewed (compared to 79.4 percent for the Mid-South) had income from wages and salaries and only 2 percent had self-employed income. Somewhat surprisingly, none of the self-employed income was farm income, that is, none of the poverty families interviewed owned their own farm.[65] Social security payments are generally of a level such that the incidence of poverty among recipients is high. Whereas less than a quarter of the total families in the three counties or in the Mid-South received social security income, 38 percent of the poverty sample received income from this source, and for many, it was their only source of income. A similar finding was true with respect to public assistance income. Of the total Mid-South families, 7.2 percent received public assistance income, while 5.7 percent of the total families in the three counties received such income. In contrast, 25 percent of the sample families received income from this source and, unlike the figures of the total populations, this 25 percent received exclusively welfare payments, not some other type of public assistance. Forty-three percent of the families in the sample had income from other sources, over twice the percentage found in the total populations. These other sources consisted primarily of governmental pensions, private pensions, child support payments, and direct contributions by relatives.

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[65] Some of the retired interviewees still owned land but no longer actively worked it.

Most of the earnings of the sample population were in the form of hourly wages. Of the 49 people in the sample who were employed, 36 percent were earning below the current federal minimum wage and 15 percent earned less than a dollar an hour. Seventy-nine percent were below the proposed minimum wage level of $2.20 per hour. The mean earnings for the sample ranged from a low of $1.66 per hour in one county to approximately $1.80 in the other two counties.

The most important aspect of earnings in relation to poverty is the ability of the poor to move themselves out of poverty through work. Of those in the poverty sample who were employed, over 40 percent were receiving the highest pay rate they had ever earned. Moreover, given the present definition of the poverty level, almost 70 percent of the sample had never earned enough to place them above the poverty level. The remaining 30 percent of the sample had at one time earned substantially better wages. Even when one allows for increases in the poverty level (definitionally) it is apparent that many of those in poverty had at one time been able to escape poverty for some period of time. In fact, for the entire sample, almost 40 percent had earned over $2.00 per hour at some point in their lifetime. Nevertheless, for the majority of those in the sample who are currently employed, work does not appear to be a route by which to escape poverty.

For those in the poverty sample receiving social security, payments ranged from below $100 to above $250 per month. The average was almost $160 in two counties, while in the third it was only $128. This is due to a significantly greater percentage of the recipients being disabled in the two counties, where as in the county with the low average payments most recipients were elderly. Mean welfare payments differed among the three counties by a considerable amount primarily as a result of differing payment schedules and different eligibility rules in the counties.

There is one important supplement to income which is not reflected in secondary data. Forty-seven percent of the sample families received food stamps. Payments for these stamps ranged from minimal ($5) to over 50 percent of the dollar value of the stamps, depending on the income level of the family. Nevertheless, in all families which received them, food stamps were a substantial addition to the real family income.[66]

Labor Force Characteristics and Activity

Labor force participation or the lack of it is associated with poverty in almost every study which has been conducted. As the previous discussion of income sources has indicated, the labor force participation of the families in the poverty sample was very low. The labor force participation rate of family heads was 52.6 for males and 28.6 for females, both of which are substantially below the corresponding rates for the three-county total of 67.1 percent for males and 39.3 percent for females or the Mid-South rates of 70.0 percent and 38.0 percent for males and females, respectively. Table 20 shows the breakdown of the poverty sample by labor force status. Probably the most surprising information in the table is the relative low unemployment rate among sample members. In fact, only 2 interviewees indicated that they were unemployed in the traditional definition of the term. However, this is not as unexpected as it might seem. Nearly 10 percent of the sample were classified as being outside of the labor force, but many of those in this category indicated that if the appropriate job was available they would accept it. In addition, several of those listed as disabled were not totally so and could have been employed if a job of the right nature had been available.[67] Thus it would appear that underemployment, not unemployment, is the major problem. The degree to which underemployment is a problem was further emphasized by the fact that over a third of those employed did not work full-time. Many of the employed sample members worked in farm jobs or as laborers and often worked ten to sixteen hours a day but only for a few months during the year. Thus, for many income was sporadic and/or seasonal,

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[66] Although food stamps made a significant difference in the real income level of many of the poverty families interviewed, there was an indication that many families did not understand their effect. Several families interviewed had been receiving food stamps, but because the cost of stamps increased as the families income had increased they had ceased purchasing the stamps, stating that they could no longer "afford" the food stamps. Several families currently purchasing stamps also indicated that they were considering not purchasing the stamps in the future because of increased cost. There were also some families that indicated that when the differential between the value of the stamps and their cost was relatively small that the difficulty and embarrassment of signing for the stamps was not worth the added purchasing power.

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[67] It also appeared to several interviewers that some respondents preferred to identify themselves as "disabled" rather than unemployed even though they were not eligible for any type of disability payment.

TABLE 20

LABOR FORCE STATUS OF WHITE FAMILIES FOR THE PRIMARY POVERTY SAMPLE

Category	Percent
Employed	46.0
Unemployed	2.0
Out of Labor Force	
Retired	21.0
Disabled	22.0
Other	9.0

and their actual plight as far as the effect which poverty had on them was in part a function of their ability to "manage" their income.

Table 21 shows the occupational distribution of the white labor force for the three county sample, for the nonmetro Mid-South, and for the primary poverty sample.[68] There was little significant difference between the county sample and the Mid-South. As should be expected, the poverty sample was concentrated in the type of occupations which are normally characterized by low wages. All of those who indicated that their occupation was farming (self-employed) were no longer in the labor force at the time of the interview. Most of those currently employed were either operatives or farm laborers. The fact that the percent of those in the poverty sample who gave their occupation as operatives was approximately the same as those in the total three counties and in the Mid-South supports what has been indicated previously--that the type of manufacturing which exists in the Mid-South is low wage and therefore that the industrial structure has an impact on the poverty of the area.

Demographic Characteristics Affecting Poverty

The labor force characteristics of the poverty sample as well as those reflected in secondary data indicate that a certain distribution with respect to education, age, and perhaps family characteristics

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[68] The occupational distribution shown in Table 3 for the poverty sample includes not only those who are currently employed but those who are retired or disabled but had previous work experience. The purpose of this is to show that there are certain types of occupations that poverty workers never seem to be able to enter or ever able to get out of at any time during their work life. The results clearly indicate that white-collar occupations are generally beyond the reach of the poverty population.

TABLE 21

OCCUPATIONAL DISTRIBUTION OF WHITES IN PRIMARY SAMPLE, COUNTY SUBSAMPLE, AND MID-SOUTH (IN PERCENT)

Occupation	Poverty Sample	County Sample	Mid-South
Professional - Tech.	--	10.5	10.5
Manager Administrator	--	8.1	8.9
Sales	--	7.1	6.7
Clerical	--	11.2	12.8
Craftsmen - Foremen	7.0	14.0	15.1
Operatives	25.0	22.1	20.2
Transport	6.0	3.8	4.3
Laborers except farm	16.0	3.7	4.1
Farmers & Farm Mgrs.	15.0	7.6	5.3
Farm Laborers & Foremen	21.0	3.2	2.8
Service Workers	5.0	8.0	8.4
Private Household Workers	2.0	.8	.9
Never Worked	5.0	--	--

Source: Data was derived from U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population, General Social and Economic Characteristics Final Reports, PC(1)-C2 Alabama, PC(1)-C5 Arkansas, PC(1)-C19 Kentucky, PC(1)-C26 Mississippi, PC(1)-C27 Missouri, PC(1)-C44 Tennessee (Washington, D.C.: Government Printing Office, 1972).

should be expected. Certainly the educational characteristics of the poverty sample indicate that lack of education is associated with poverty--probably a major cause. Seventy-two percent of the family heads in the sample had less than an eighth grade education and 17 percent had never received any education. Only 8 percent had completed high school. In contrast, the total white Mid-South population had only 26 percent with less than an eighth grade education and almost 40 percent with a high school education. The lack of education is probably the major factor which explains the relatively small number of poor among the white-collar occupations. However, for some of the higher paying blue-collar occupations, skill training may be as important as educational attainment. Therefore, lack of skill should also be associated with poverty. The total poverty sample, both those currently in the labor force and those no longer in the labor force, contained only 13 persons who had received any kind of skill training. Of these 13 only 2 had received training from a government program other than high school vocational training. If skill training is indeed a way in which people in poverty can be aided in helping themselves, it appears that the white poverty population of the Mid-South should be a fertile ground for reducing poverty in this manner. In fact, when asked to give an opinion concerning government training programs, most respondents stated that they had never heard of them.

Like education, advanced age appears to have a substantial effect on the probability of a family being in poverty. Whereas 12.2 percent of the white population in the nonmetro Mid-South and 13.4 percent in the three counties was over age 65, family heads in the poverty sample over 65 years of age constituted over 26 percent of the total. An additional 25 percent were between the ages of 55 and 64. The distribution of the sample supports the contention that poverty is a result of loss of earning power due to age. It also points to the fact that for many retired families, social security payments are not sufficient to keep them above the poverty level. In this particular case the poverty sample probably understates the importance of age in causing poverty, since 39 percent of the poverty families in the three counties had a male head over the age of 65, and 31.2 percent of the poverty families in the entire Mid-South were headed by a male over 65 years of age.

The poverty sample, on the other hand, probably attaches too much significance to a family being headed by a female as a cause of poverty. Twenty-six percent of the poverty sample families were headed by a female. This compares to 14.1 percent and 15.7 percent of the poverty families with female heads in the three counties and in the Mid-South, respectively.

The secondary data for the three sample counties tend to support the results implicit in the profile of the Mid-South as a whole, with additional insight added by the poverty sample. As indicated by the secondary and primary data education, labor force participation, underemployment, and age appear to be the major causal factors of poverty in the Mid-South. While there are several factors which help explain most of the overall poverty, it is still necessary to explain why there is so much variation in the incidence of poverty from county to county.

Poverty Variation Among Counties

The three counties discussed in the preceding section are generally representative of the Mid-South study area. Of course, there are differences among the three counties and some of which may be significant in accounting for the variations in the incidence of poverty among the three counties. Most of these differences are reflected in the secondary data. In fact, the primary survey of poverty households in the three counties points to the fact that, although there are differences in the incidence of poverty among the three counties, the families that are in poverty have the same general characteristics regardless of which county they are living in. This section will briefly examine the more significant differences between the three sample counties as reflected in the Census data and the similarities in the poverty families as shown by the primary survey.

Table 22 delineates several characteristics by county. As indicated, Marshall county had a significantly smaller percent of its white families in poverty than did Monroe or Weakley counties. In addition, the latter two counties have no significant difference in the incidence of poverty although the factors which have the major influence on the poverty rate appear to be different between the two counties.

There are three demographic characteristics of the county populations which may help explain the differences in the rates of poverty. In Marshall county, a substantially smaller percentage of the population is over 65 than in the other two counties, and in Weakley county the percentage of the population over 65 is significantly higher than in either of the other counties. The significance of this is reflected in the fact that 45.2 percent of the poverty families in Weakley county are headed by a male over 65 years of age compared to 27.1 percent in Marshall county and 31.4 percent in Monroe county. While this may help explain the higher incidence of poverty in Weakley county than in

TABLE 22

SELECTED CHARACTERISTICS OF THE THREE SAMPLE COUNTIES

Category	Marshall	Monroe	Weakley
Poverty Index	16.8	20.8	19.6
Demographic Characteristics			
Over 65 population	10.3	12.2	14.8
Female headed families	7.7	8.9	6.3
White families	38.0	56.2	93.9
Poverty Females head over 65	31.4	27.1	45.2
Less than 8 yrs. school	17.2	23.9	22.4
Males less than 8 yrs. school	22.0	35.9	26.1
Income Characteristics			
Mean Income	$8049	$7879	$7359
Mean Poverty Income	$1870	$1669	$1615
Income Source			
Wages & Salaries	82.4	75.8	76.4
Farm self-employed	13.5	18.8	23.2
Social Security	20.1	19.8	29.1
Public Assistance	5.3	6.7	5.4
Labor Force Characteristics			
Labor Force Participation Rate - Male	73.2	67.2	65.2
Labor Force Participation Rate - Female	47.3	36.3	40.5
Male Unemployment Rate	3.8	4.0	2.7
Female Unemployment Rate	7.4	6.3	6.6
Males under 65 not in Labor Force as percent of total males over 16	10.8	10.9	6.7
Males worked 26 weeks or less	16.4	20.4	29.0
Selected Occupations			
Operatives	20.5	18.6	23.6
Farmers & Farm Managers	4.3	10.3	7.9
Farm Laborers	1.4	5.8	3.0
Service Workers	5.2	8.5	8.7
Females with husband present - wife working as percent of total families	39.4	32.7	41.1
Females worked 26 weeks or less	28.4	43.9	40.8

Source: Data was derived from U.S. Department of Commerce, Bureau of the Census, *1970 Census of Population, General Social and Economic Characteristics Final Reports, PC(1)-C2 Alabama, PC(1)-C5 Arkansas, PC(1)-C19 Kentucky, PC(1)-C26 Mississippi, PC(1)-C27 Missouri, PC(1)-C44 Tennessee* (Washington, D.C.: Government Printing Office, 1972).

Marshall county, it does nothing to help explain the differences between Weakley and Monroe or Monroe and Marshall counties.

As might be expected, in Marshall county a smaller percentage of the over 25 population had less than an eighth grade education than in the other two counties. Monroe county which had the highest incidence of poverty also had the worst educated population, both total and male.

It had been expected, based on the findings in previous chapters, that the incidence of white poverty would vary inversely with the size of the nonwhite population. While this held true for Marshall county as compared with the other two counties, the white-nonwhite distribution in Monroe and Weakley counties was contradictory to expectations. However, there are other differences, age being one, which help explain why the general expectation does not hold true between these two counties.

Marshall county, which had the lowest incidence of poverty, had the highest male and female labor force participation rates. It also had a relatively high percentage of its married females in the labor force as compared to Monroe county, the county with the highest incidence of poverty. The differences in these characteristics are reflected in the distribution of the sources of income in the three counties. Marshall county has a higher percentage of families with wage and salary income than does Monroe or Weakley counties, as would be expected in view of the higher labor force participation rates.

As reflected in Table 22, both the occupational distribution and the data on sources of income indicate that Monroe county is more dependent on farming than the other two counties. This would lead to the expectation that the incidence of poverty would be high in this county as indeed it appears to be. The relatively high percent of families with social security income in Weakley county reflects the age distribution previously discussed. Since public assistance tends to be more a function of local regulations than anything else, it is difficult to interpret the percentage differences in public assistance shown in Table 22. The higher percentage receiving public assistance in Marshall county may help to explain the higher mean poverty income found in that county.

In general the distribution of characteristics is what one would expect to find as a reflection of the differential poverty rates among counties. Although Weakley county does not always follow the expected pattern, it appears that the relatively large percentage of the population which is over 65 years of age may account for much of the deviation from expectations.

The primary sample of poverty families in the three counties shows that, by and large, the poverty populations of the counties are similar in their characteristics. Table 23 indicates that low educational attainment, old age and a female household head are associated with poverty in all the counties. All three counties have 50 percent or less of the poverty sample in the labor force and a significant number out of the labor force because of disability. Despite intercounty variations, occupational distributions in all three counties show that members of the poverty sample are in low paying occupations; in fact, no one interviewed had a white-collar occupation.

In addition to the figures in Table 23, the sources of income were examined. There was no major difference in the income sources among the poverty sample of the three counties. A larger percent of the poverty sample in both Monroe and Weakley counties receives welfare

TABLE 23

SELECTED CHARACTERISTICS OF PRIMARY POVERTY SAMPLE BY COUNTIES

Category	Marshall	Monroe	Weakley
Demographic Characteristics			
Household heads over 65	23.0	20.0	36.0
Female household head	26.0	29.0	25.0
Less than 8 years education	83.0	86.0	75.0
Labor Force Characteristics			
Employment Status			
Employed	50.0	49.0	39.0
Unemployed	3.0	--	3.0
Out of Labor Force			
Retired	21.0	14.0	28.0
Disabled	14.0	26.0	24.0
Other	12.0	11.0	6.0
Occupation			
Craftsmen, foremen	9.0	6.0	6.0
Operatives	37.0	25.0	28.0
Laborer - nonfarm	14.0	14.0	19.0
Farmer - manager	11.0	6.0	27.0
Farm Laborer	17.0	34.0	11.0
Service Worker	6.0	9.0	6.0
N/A	6.0	6.0	3.0

and food stamps than the percentage receiving either in Marshall county. As expected, social security was slightly more important as a source of income in Weakley county than in the other two counties.

Comparisons of the three counties point the direction in which one could go in analyzing differences in the incidence of poverty among the 124 counties in the Mid-South. Such comparisons also show the similarities in the poverty populations which probably exists among all 124 counties. The following section of this chapter explores one additional area which might help explain poverty in all the counties as well as possible differences among counties--the attitudes of the poverty population towards work, job satisfaction, and labor force attachment. Such analysis should help further clarify the causes of nonmetropolitan poverty in the Mid-South.

Attitudes Towards Work and Life

Many researchers have focused attention on sociological and psychological variables in their attempt to explain poverty. Such analyses range from naive observation of laziness, sinfulness, irresponsibility and other factors related to moral traits to scientific social-psychological disgnoses.[69] There are also those that argue that the economic analysis of poverty is injured if socio-psychological variables are not included. The authors of this monograph agree in principal with Jacob Mincer

> that poverty is too important a problem to be left to exclusive study by social scientists, and, a fortiori, to economists alone. And [he submits] economists as such certainly have no comparative

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[69] John R. Shea and Jack A. Meyer, Potential Recipients of Family Assistance Payments (Columbus, Ohio: The Ohio State University--Center for Human Resource Research, 1972), p. 41.

> advantage over sociologists and psychologists in understanding the social and psychological roots of poverty.[70]

Therefore, the following section, which deals with attitudes on job satisfaction, the work ethic and life aspirations, should be read with Mincer's statement in mind. The analysis will be limited to that which will be useful in explaining white poverty and that which can be supported by other studies.

Job Satisfaction

Most of the poverty sample heads of households who were employed (49 of which 7 were employed part-time) were quite satisfied with their jobs. Forty-four of the employed heads of households (90 percent) stated that they either liked their job "very well" or "fairly well." When asked to indicate what they liked best about their job, 27 (63 percent of those responding) listed either "type of work" or "work conditions" as the major factors they liked best about their job. Fifty percent of those listing a second positive factor about their job either listed "type of work" or "work conditions." Only 25 employed persons listed one factor (8 a second factor) reflecting adversely on their job and, not unexpectedly, most of these respondents listed "type of work" and "work conditions" as undesirable features of their work.

In a related question, the poverty sample was asked: What is the most important thing about any job--good wages or liking the work. Of those respondings, 23 indicated liking the work; 20 said good wages, and 6 thought both were important. Interestingly, although only a few noted in questions 15 and 16 that wages were what they liked or disliked,

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[70] National Bureau of Economic Research, The NBER Survey of Research into Poverty Labor Markets: Final Report (New York: NBER, 1972), p. 2.

53 percent of those responding to question 17 indicated some importance of wages. The importance of wages to the poor is perhaps obvious and was documented by Shea and Meyer in a study of men 45 to 49 years of age. By asking the same question, they found that ". . .the poor in each color group are more likely than the nonpoor to stress good wages."[71]

Job satisfaction of most of the poverty sample was further reinforced by responses to the question "how long do you think you will continue work at your present job." Seventy-one percent of those employed indicated as long as they could, 20 percent said they didn't know, while the rest said either less than a year (3 persons) or 1-4 years (one person).

Work Ethic

Job satisfaction probably makes the work ethic more palatable or results, perhaps, in the lack of awareness of such an ethic by many persons. The "protestant ethic" insists on industrious work habits and individual responsibility and is a fatalistic attitude which requires a person to perform without complaint whatever labor is demanded by his role or social status.[72] Such attitudes are presently questioned in many countries but usually only by intellectuals and researchers. Therefore, as the bulk of society still accepts and demands that the "work ethic" be adhered to, the poverty sample in this study was examined through a number of questions as to what attitudes they had towards work.

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[71] Shea and Meyer, Potential Recipients of Family Assistance Payments, p. 47.

[72] Bert T. King and Elliott McGinnis, Attitudes, Conflict, and Social Change (New York: Academic Press, 1972), p. 3.

One of the significant questions asked heads of households was "Why do you think people work(72)?" Sixty-three percent of those responding indicated that they believed money was the reason people worked. If associated response of "making a living" is included, slightly over 91 percent of the respondents believe that financial incentives are the reason why people work. A study made in Coahoma county, Mississippi, in 1970 asked labor force nonparticipants (only 6.9 percent of which were white) why they believed people worked. The Coahoma study found that the primary reason why persons living in poverty worked was also financial reward.[73] This study and the Coahoma study both found that a small percentage of the respective sample populations gave other reasons such as "personal satisfaction," "security," "status," and "it is expected."[74]

In an attempt to ascertain how the specific household felt about working, the head of household (regardless of employment status) was asked a series of questions. He (or she) was first asked how he (or she) felt about other members of the family (especailly the wife or husband) working (66). Thirty-eight percent of the total responding (71 persons) indicated they looked with favor upon such activity, while an additional 18 percent said they did not care one way or the other.[75] Forty-four percent of the respondents indicated an unfavorable attitude towards other members of the family working. In a study of women 30-44 years of age, Shea and Meyer asked a similar question (from the wife's standpoint) and found that ". . .approximately one-third of the women in poverty and nearly two-fifths of the nonpoor, say that their husbands would not like to see them working."[76] Although respondents were not questioned as to the reasons why the husbands felt this way, some respondents volunteered the information that their husbands felt that they (the wives) belonged at home.

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[73] Mildred G. Pryor, "Unemployment and Labor Force Nonparticipation in Coahoma County, Mississippi," (unpublished dissertation: University of Mississippi, 1971), p. 173.

[74] _Ibid_.

[75] Heads of households were also queried as to how the wife (husband or other members of the family) felt about the household head working (67). Only 11 percent of those responding (66 persons) indicated that they object to the husband (or wife) working.

Although work related attitudes are elicited when work related questions are explicit, it is interesting to note that when the sample was asked a series of questions concerned with why people respect each other, work and materialistic responses were almost absent. Over 98 percent of the respondents believed it was important that people have the respect of other (73). When asked "What makes people respect others?" (71), only 14 percent of the poverty sample listed materialistic considerations. Such nonmaterialistic considerations as reputation (29 percent), friendship [how you treat others and kind of person you are (36 percent)] and "good living" [honesty (8 percent)] were the most important to most of the respondents. However, when questioned if it was possible for an able bodied person to be respected if he did not work (74), 87 percent of those offering an opinion (102) gave a negative response. Furthermore, almost 90 percent of the sample believed that it was impossible to get by and have a good life without working (75).[77]

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[76] Shea and Meyer, Potential Recipients of Family Assistance Payments, p. 44.

Following the series of questions related to the work ethic, the poverty sample was asked a job satisfaction question. Surprisingly, 48 percent of the poverty sample indicated that they believed it was impossible for a person to have a job that he really likes (76), when in a previous question (16) only 8 percent of the respondents expressed dissatisfaction with their job. Part of the discrepancy in the responses could be due to the fact that one question was asked of the entire poverty population while the other only inquired about job satisfaction of the employed.

Additional information on the work ethic was acquired by asking respondents if they would still work if they received enough money from another source which would no longer require them to work (68). Of those responding (99), 70 percent indicated that they would still work while 14 percent were undecided. Shea and Meyer found when testing the work commitment of men 45 to 49 that ". . .about four [out] of five poor men indicate that they would work even if there were no financial need to do so. . ." and in fact that ". . .a slightly greater fraction of the poor than of nonpoor responded affirmatively to this question."[78]

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[77] Poor persons may be trying to please middle-class interviewers by giving strongly work-oriented responses. Leonard Goodwin has pointed out that "Such a source of bias can be illuminated by using interviewers of different class and race as was done for a group of 267 long-term welfare mothers in Baltimore. . .the ratings they gave to Negro lower-class interviewers were not significantly different from those given to the welfare WIN trainees." [Leonard Goodwin, A Study of the Work Orientations of Welfare Recipients Participating in the Work Incentive Program (NTIS PB 202812, 1972), p. 35.]

[78] Shea and Meyer, Potential Recipients of Family Assistance Payments, p. 46.

In a related question (69) which also introduced future expectations, the sample was asked if they thought they would ever have enough money to live the way they would like to live. Of those responding (104), 91 percent appeared to be realistic about their social-economic plight and indicated no. Such a response reveals that few persons in the sample regard work (or at least their current job) as a means of getting out of poverty. Six of the 9 persons indicating yes to question 69 said in the following question that they did not know where such money would come from and two said it would come from friends, or relatives while the other believed that it would be a windfall.

It might be that lack of confidence (possessed by those in poverty)--due to failure or limited success--results in the belief that work is not a way out of poverty. Therefore, such a view seemingly conflicts with the positive attitude towards the work ethic held by the poor. Leonard Goodwin in his WIN study may have found a partial answer to this apparent conflict. He found that "Welfare mothers with weak work ethic. . .do not expose their self-esteem to challenge in the work world [while those with a strong work ethic do] and thus are less likely to lose confidence because of failure in the work world."[79] At the same time, Goodwin found "As is true for welfare mothers, there is no indication that welfare fathers lack self-identification with work. All groups rate the work ethic relatively high."[80]

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[79] Leonard Goodwin, A Study of the Work Orientations of Welfare Recipients, pp. 51-52.

[80] *Ibid.*, p. 67.

Work Ethic, Success and Life Aspirations

Another series of questions attempted to relate the work ethic to planning, life aspirations and success in life. Seventy-five percent of those expressing an opinion believed that being successful was a matter of hard work, while the other 25 percent believed it was a matter of luck (79). The ability to work hard and be a success was supported by 62 percent of the sample who believed that what happened to them was a matter of their own doing (80). Furthermore, most of the respondents volunteering an opinion (75 percent) believed if one made plans he (or she) could make them work (81).

Responses to questions 79, 80 and 81 were somewhat contradictory to questions 82 and 78. Fifty-two percent of the responses indicated that they believed that one's life is controlled by accidental happenings (82). Question 78 was tapered somewhat by asking if the unhappy things in a person's life were partly due to bad luck. Not unexpectedly, 73 percent of the respondents believed that bad luck was partly the cause of unhappy events in their lives.

An attempt was made in the attitude survey to relate the work ethic and planning. Question 62 asked the sample what they would like to be doing 10 years from now. Forty-four percent of the responses indicated an intention to continue working, and of the 44 percent, 72 percent of that group said they would continue working at their present job. Twenty-eight percent of the sample indicated that they would be retired, while 18 percent did not know what they would be doing.

The sample was also asked what they thought their chances were of getting a better (or different job; 64). Of the 44 responses, 80 percent indicated that their chances were only fair to poor. Further probing on this point resulted in 30 responses as to why the respondent believed that his (or her) chances were not so good. Fourteen persons listed health reasons and 13 listed lack of education in answering question 65. In a previous question (55) the sample had been asked if they felt that the lack of education had hurt them in any way and what was their reason for feeling that way. Seventy-two of the 102 respondents indicated that they thought that they had been hurt by inadequate or no schooling. Eighty-two of those indicating a yes to this question believed it would help them "do better" (45 persons--listed get a better job; 4--said manage better; and 10 did not specify why). Thirteen persons gave a positive but unspecified answer; 27 persons said no and 3 persons said they didn't know. The importance of education was revealed further when respondents were asked what they would do differently if they had their lives to live over again (77). Thirty-four percent of those responding indicated they would get more education, 13 percent listed try to get a better job, and 28 percent said they wouldn't do anything differently.

In sum, although no control group was utilized, the attitudes of the poor in the three counties are probably similar to those of the entire population in the counties. There are, of course, some attitudes that are different from those of the total population, such as more concern expressed by the poverty sample about wages (than liking the job) and a tendency to blame a good deal of misfortune on "bad luck." Such differences are not unexpected. It is interesting to note, that while some of the workers in the poverty sample realized the meaniality of their jobs, most realized that their chances for obtaining a better job were not too good. This short section has shed some light on poverty attitudes, however, it would appear that additional knowledge about poverty will be gained by examining the variables discussed in the next chapter.

CHAPTER FIVE

CORRELATES OF POVERTY IN THE MID-SOUTH

Poverty, as defined in this and most studies, concerns that segment of the population which is in the lower strata of the overall income distribution of society. Causes of poverty are, therefore, part of the range of factors which influence the overall distribution of income. As Gordon points out, this means that much of the analysis concerning the causes of poverty is done in terms of a single parameter--marginal productivity--even though there is recognition that the relationship between labor's marginal productivity and labor's income may not be as simple as traditional economic theory hypothesizes.[81] Nevertheless, an investigation of the factors which influence labor's productivity is a sound point from which to start an investigation of the causes of poverty.

Recent research has been concerned with the study of those factors which directly affect an individual's productivity in terms of investments, or lack of investments, in human capital. Indeed, the works of Denison and others who have investigated the factors contributing to economic growth leave little doubt that human capital investment must be an important aspect of any explanation of income distribution and therefore of poverty.[82]

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[81] David M. Gordon, Theories of Poverty and Underemployment (New York: D.C. Heath and Company, 1972), pp. 28-29.

[82] Edward F. Denison, The Sources of Economic Growth in the United States and the Alternatives Before Us (Committee for Economic Development, 1962).

Thurow calculated the value of labor's marginal product in 1965 as $7,236 (in 1958 dollars), a threefold increase over 1929.[83] He attributes over 40 percent of this increase to technical progress embodied in labor--human capital. Thurow's calculations apply to the marginal product of the average worker. An individual who possesses less skill, education or knowledge than the average could be expected to be less productive, to receive less income than average, and if significantly below the average in productivity, to be poor. Thus, investment in human capital by raising individual worker's productivity should reduce this source of the poverty problem.

Poverty may also result when workers are paid below their marginal product. Imperfections in the labor market which allow discrimination among workers not based on productivity differentials result in many workers not receiving income commensurate with their marginal product. Monopoly power in the labor market, either by the supplier or the buyer, may have this result.[84] In addition, workers may be prevented from achieving their productivity potential because of occupational restrictions, while others may receive incomes above that dictated by their marginal product because of these same restrictions.[85]

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[83] Lester C. Thurow, Poverty and Discrimination, pp. 163-168.

[84] This may be a particularly important factor in rural areas where local labor markets are isolated, giving local employers a monopsony position in many occupations.

[85] For a discussion of one way in which an artifical restriction, racial discrimination, can affect incomes see Barbara Bergmann, "The Effect on White Incomes of Discrimination in Employment," Journal of Political Economy, Vol. 79, No. 2 (March-April, 1971), pp. 795-313.

Unequal marginal products among workers do not have to be the result of low human capital investment or of monopoly power. In a dynamic economy it can result from changes in occupational and industrial structure--particularly if there are factors which impede the economic adjustment process. In a similar vein, technical progress which changes the capital/labor ratio may raise the productivity of some workers and make the skills of others absolete overnight, thus dramatically reducing their marginal product.

All the above factors and their relationship to income distribution and poverty can be discussed within the general framework of labor productivity and its relationship to earned income. However, to focus only on labor's productivity as the cause of poverty ignores the well documented fact that at any given time a majority of the poor are outside the productive economy. Many are outside the productive sector for extended periods--often permanently. Some of the factors which force individuals out of the direct participation in the productive sector occur only at certain points over the life cycle, such as the problems presented in this respect by advanced age or family responsibility. Others, such as physical or mental disability, can occur at any point in the life cycle and tend to be permanent or at least of long duration.

Inability to participate in the productive sector may also be a function of the structure of the local economy as reflected in lack of job opportunities, resulting in what has been termed the "discouraged worker." This cause of poverty has been found to be particularly significant in rural areas where the local economy has never adjusted to the changes in agriculture.[86]

The above discussion outlines one possible framework for the investigation of the causes of poverty--those factors which are reflected in low productivity and (or earned income below the marginal product) and those factors which prevent any engagement in productive activity. Previous research has identified several characteristics which are associated with low productivity and/or nonlabor force participation and which can be loosely termed causes of poverty. As a first step toward identifying those factors which cause poverty in the nonmetropolitan white population of the Mid-South, the following section investigates the existence and the extent of these characteristics in the study population.

Education and Skill Training

Under conditions of competition, economic theory holds that the productivity of labor is an important determinant of wage rates and, consequently, of the total income available to individuals and families. The relationship between levels of schooling and family income has been well documented.[87] Since higher incomes result from higher levels of educational attainment it can be stated that ". . .the more educated a person is, the higher his expected marginal productivity."[88] Therefore, since educational achievement has a significant impact on an individual's productive capacity, it is expected that the relationship between education and the incidence of poverty will be negative.[89] Not only does higher education enhance income through higher productivity, but persons with higher educational attainment are in general better able to find and hold a job.[90] To the extent that work is an escape from poverty, persons with higher levels of educational attainment should not only have a smaller probability of falling into poverty than those with low educational attainment but could be expected to have higher escape rates from poverty, should they find themselves in such a situation.

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[86] Robert L. Stein, "Reasons for Nonparticipation in the Labor Force," Monthly Labor Review, Vol. 90, No. 7 (July, 1967), pp. 22-28.

[87] U.S. Department of Commerce, Bureau of the Census, Annual Mean Income, Lifetime Income and Educational Attainment of Men in the U.S. for Selected Years, 1956-1966. Consumer Income Series P-60, No. 56 (Washington, D.C.: Government Printing Office, August, 1968).

[88] Terrence F. Kelley, "Factors Affecting Poverty," p. 12.

Job skills, while obviously related to educational achievement, are not necessarily the same thing. The acquisition of job skills can have a significant effect on the productivity of workers, and like education, job skills are negatively associated with poverty. One of the major problems that occurs in our society is the rapidly changing technical and industrial structure that makes many skills obsolete with little warning and often requires new skills. Certain segments of the population have been unable to acquire the new skills necessary to maintain high levels of productivity. This is in part the result of the inability or unwillingness of certain areas of the country to provide the education and training necessary to maintain a work force with the same educational and skill levels of the general population. A report written 35 years ago pointed out that:

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[89] For a review of the literature on education as an investment see Thomas I. Ribich, Education and Poverty (Washington, D.C.: The Brookings Institution, 1968), pp. 1-16.

[90] For a discussion of the relationship between inadequate education, achievement motivation and ignorance of opportunities see Alan B. Batchelder, The Economics of Poverty (New York: John Wiley and Sons, Inc., 1971), pp. 88-94.

> Much of southern poverty was the poverty of the social infrastructure--inadequate schooling and limited public services, meager facilities for research which might lead to technological development and a population not as richly endowed as in the rest of the nation.[91]

Today educational and skill levels in the South remain well below the U.S. norms.

Rural areas also have been unable to keep pace with rapidly changing educational and skill requirements. "While rural youth are getting a better education than their parents, the level of educational achievement is still lower than for urban youth."[92]

The brief discussion above indicates that education and skill, or more precisely the lack of them, are associated with poverty through the lack of productivity. There is also evidence that rural areas, particularly in the South, are below the rest of the Nation in both educational attainment and skills of their population.

The white poverty profile presented in Chapter Two indicated that the white population 25 years of age and over in the Mid-South in 1970 had lower levels of educational attainment than the comparable population of the South and the U.S. Over 23 percent of the total population (26.2 percent of the male population) had less than 8 years of education--a percentage rate above that for the South and more than twice the national percentage. The percentage of whites receiving a high school diploma in the Mid-South is considerably below the percentage of whites receiving diplomas in the South and U.S. as a whole (see Chapter Two). The same relationship exists with respect to those receiving college degrees.

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[91] Oscar Ornati, Poverty Amid Affluence (New York: The Twentieth Century Fund, 1966), p. 56.

[92] A Report by the President's National Advisory Commission on Rural Poverty, The People Left Behind (Washington, D.C.: Government Printing Office, September, 1967), p. 41.

Data collected for the sample counties through the primary survey indicate that the white poor in the Mid-South had few job skills and had received relatively little formal skill training or on-the-job training. The primary survey (see Chapter Four) indicated that not only did most of the sample population not participate in any manpower training program (or similar training programs), but they also had never heard of or had the opportunity to participate in such. The poverty sample population was also queried as to the extent to which they received on-the-job training. A small number of persons (19--30 percent of those responding) indicated that they had received some sort of on-the-job training.

Underemployment

Another factor that this study points to as a significant correlate of poverty is underemployment. Underemployment like inadequate education and skill training, means lower productivity which could result in poverty. Underemployment takes at least two forms. It can be viewed in the form of "quality" underemployment which means that a person's full potential is not being used on a job, or it can be viewed in terms of "quantity" underemployment.[93] Quantity underemployment refers to those who are working part time but who would like to be working full time.

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[93] Edward B. Jakubauskas and Neil A. Palomba, Manpower Economics (Reading, Mass.: Addison-Wesley Publishing Co., 1973), pp. 163-164.

The need for a better measure and definition of underemployment has been recognized by many,[94] albeit, it may prove to be quite difficult to measure "quality" underemployment. Quantity underemployment, on the other hand, may be easier to measure but just as difficult to interpret.[95] For example, one who may fit the "quantity" underemployment classification may not necessarily live in poverty and those who work less than full time may do so voluntarily.

Although measures of "quantity" underemployment are presently rough, there are indications that underemployment contributes to the low productivity and poverty of whites in the Mid-South. Over 33 percent of white males (61.5 percent for white females) of labor force age were under 65 (and not in school or in institutions) and not in the labor force. Even when disability is allowed for, over 33,000 white male rural workers of labor force age in the Mid-South are not in the labor force; this amounts to almost twice the National rate.

Another indication of underemployment is the percentage of employed persons who work only part time. In the Mid-South, 16.5 percent of the male labor force worked 26 weeks or less, which is 30 percent higher than the National level. At the same time, 32.4 percent of the Mid-South's female work force worked 26 weeks or less. Underemployment is by no means the only correlate of poverty, but it is an important factor contributing to low productivity and to the low earning power of the individual. Every indication is that underemployment is one of the prime causes of poverty among whites in the Mid-South.

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[94] Sar A. Levitan, Garth L. Mangum and Ray Marshall, Human Resources and Labor Markets (New York: Harper and Row, 1972), p. 76.

[95] The Economic Research Service (ERS) of the U.S. Department of Agriculture has made some estimates of the amount of underemployment among employed rural residents by comparing actual earnings of large groups of persons with earnings of their counterparts with respect to earning capacities, values and tastes. (See President's Commission on Rural Poverty, Rural Poverty in the United States, p. 10.) The ERS found that underemployment was 18.3 percent for all employed rural residents, 16.3 percent for males and 23.7 percent for females. The rate of underemployment was 8.7 percent for rural nonfarm males (20.4 percent for females) and 37.1 percent for farm males (36.6 for females).

The Role of the Industrial/Occupational Structure in Poverty

Like many of the factors relating to poverty, the cause and effect relationships between poverty and the industrial structure of an area are difficult to separate. The relationship between capital investment and labor productivity is a well established principle, and in general, capital intensive industries tend to be high wage industries. Industrial development in an area, based on a well balanced industrial mix, therefore increases labor's marginal product and income. The location of rapidly expanding industries in an area or the expansion of slower growing industries is the basis for area economic development.[96] Such development increases employment and productivity of labor, which in turn reduces area unemployment and underemployment, increases incomes, and eventually, other things equal, reduces poverty in the area. Thus, an area which is unable to achieve industrial development has a great probability of being an area with a high incidence of poverty. Lack of development means low productivity in those industries that do exist. It is here that cause and effect relationships become difficult to separate.

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[96] Edward B. Jakubauskas and Neil A. Palomba, Manpower Economics, p. 180.

As already discussed, poverty is associated with low educational attainment and low levels of job skills in the work force. Public facilities needed to support industry are often lacking in poor communities, particularly in rural areas. It is difficult to attract capital intensive industry, indeed, any industry to such an environment. Thus, area poverty in itself may have a retarding effect on industrialization, thereby perpetuating poverty.

The industrial structure of an area can be used as one variable which adds insight into the overall explanation of poverty in the area.[97] Analysis of industrial structure reveals that the South and the Mid-South are in an inferior position relative to the rest of the U.S.

Traditionally, the Mid-South has always been heavily dependent upon agriculture, foresty and mining for its economic welfare. For example, almost 10 percent of the Mid-South's employment was in such industries in 1970--more than twice the percentage for similar industries in the South and Nation. Despite rapid industrialization (although from a low base),the proportion of labor employed in these industries is still high although changing technology and market structure have caused employment opportunities to decline in these industries. Furthermore, development of high productivity industries in the Mid-South has been hampered by the lack of adequate infrastructure which includes the physical facilities for rendering essential public services--roads, transportation and communication networks, energy production and distribution, educational and health facilities and water and sewerage systems. Industry of employment data on the Mid-South indicated a low level of employment in public administration relative to the South and Nation. Although this is certainly not a cause of poverty, it indicates a lack of existence of programs and the means to eliminate poverty in rural areas.

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[97] Thurow has used an industrial index measuring the relative concentration of high income industry and the percent of families living on farms as a measure of the industrial structure in the analysis of poverty. (Lester Thurow, Poverty and Discrimination, p. 35.)

There is little doubt that regions vary in terms of endowment with natural resources and the stage of development achieved. Certain industries tend to cluster in certain regions, and labor intensive industries appear to be somewhat concentrated in the South. To the extent that such industries utilize large amounts of unskilled labor it might be hypothesized that escape from poverty in the South might be more rapid than in other regions.[98] Unfortunately, such a hypothesis has not been tested and data to support such might be difficult to come by.

One surprise finding of this study was that almost 32 percent of the total white employment in the nonmetropolitan Mid-South was in manufacturing. The proportion of total employment in manufacturing in the Mid-South was higher than that for the South and the Nation as a whole. Further breakdown of the manufacturing category, however, revealed that such employment was in textiles, wood products, food products and light nondurable goods, with small amounts of employment in primary industries or in durable goods manufacturing. Nondurable industries many times have low productivity and pay low wages compared to other manufacturing industries and even to some jobs in the nonmanufacturing sector. Wage data collected from the primary survey of these industries paid wages equal or close to the Federal minimum wage. An industrial index was constructed for the nonmetro Mid-South which measured the portion of employment in high wage industries for the 124 counties relative to the U.S. The index used was:

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[98] Terrence F. Kelley, "Factors Affecting Poverty," p. 12.

$$I_j = \Sigma Y_{ij} \frac{X_i}{X}$$

where

I_j = industrial index for county j
Y_{ij} = percent of employment in industry i in county j
X_i = mean wage in industry i for the U.S. in 1970
X = average industrial wage in the U.S. in 1970

The resulting indices ranged from a low of .64 to a high of .94 clearly indicating the predominance of low-wage industries in the Mid-South counties.

Major income differentials relate to the industry in which the work (occupation) is performed. By and large, ". . .the major concentration of full-time workers falling below the poverty line were among those in the farm, service and unskilled laborer groups, particularly those with relatively low levels of schooling.[99] Although the proportion of the Mid-South's white labor force employed in service activities was low relative to the South and the rest of the Nation, the proportion found in farming and unskilled laborer occupations was high. Furthermore, as Chapter Two pointed out, the percentage of workers in the higher paying white-collar jobs was low relative to the South and U.S., while the proportion of unskilled laborers was higher.

Part of the large supply of unskilled workers in the South and Mid-South is in the form of farm laborers. Rural-urban migration has been in general "too slow" in the South and Mid-South, or stated differently, there are too many farm laborers and small farmers in the respective areas.[100] It should be obvious that the causes of poverty are interrelated and that rural poverty in the South and Mid-South are, in part, a result of underemployment in agriculture.[101] Underemployment resulting from increased productivity (due to rapid technological improvements) in which the benefits to the small farmer and farm laborer have been small.[102] Furthermore, the gains from technological change have not been uniformally distributed among regions and the South and its subregion the Mid-South has probably suffered the most from such a distribution.

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[99] Seymour Wolfbein, Work in American Society, p. 98.

Unemployment and Poverty

The nature of the relationship between poverty and unemployment is by no means firmly established. Basic texts now state that poverty, particularly poverty in rural areas, can be attributed in part to high rates of unemployment.[103] This is based on the observed relationship between the incidence of poverty and the rate of unemployment.[104]

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[100] Chamber of Commerce of the U.S., Rural Poverty in an Urban Society, pp. 79-80.

[101] President's Commission on Rural Poverty, The People Left Behind, p. 141.

[102] Chamber of Commerce of the U.S., Rural Poverty in an Urban Society, p. 80.

[103] Edward B. Jakubauskas and Neil A. Palomba, Manpower Economics, pp. 163-181.

[104] U.S. Department of Commerce, Bureau of the Census, Poverty in the United States: 1959 to 1968, Current Population Reports, Series P-60, No. 68, (Washington, D.C.: Government Printing Office, 1969), p. 4.

That there is a relationship between poverty and unemployment seems indisputable, but whether or not it is one of cause and effect still remains an unsettled question.

Mincer has stated that "Unemployment incidence. . .appears to be a subject largely unrelated to poverty in the present U.S. economy."[105] He bases this observation on the belief that unemployment is a relatively minor cause of the nonworker status among poverty families and that it is the nonworker status which is the important causal factor in poverty.

Ornati has set forth the hypothesis that the relationship between poverty and unemployment is found in the high unemployment rates of subgroups of the population. In his words:

> Increased class unemployment measures the extent to which our society is rejecting and excluding an increasing number of its members. It is here, in these individuals, that poverty and unemployment are wedded.[106]

Thurow found that here was a significant relationship between the unemployment rate and the percent of families with no labor force participation.[107] Thurow's conclusion was that a 1 percent decline in the unemployment rate (National) causes the number of families with no wage earner to decline by 100,000.

Thurow's analysis would lead to the conclusion that it is through this relationship that the interaction of unemployment and poverty is found. In a study of rural nonfarm areas, Essig found a negative relationship between the unemployment rate and labor force participation rates for both males and females.[108] This lends support to the previously stated hypothesis and lends credence to another possibility. Unemployment may be most significant in its effect on the incidence of poverty by being the prelude to a "discouraged worker." This may well be the most significant manner in which unemployment is related to poverty.

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[105] Jacob Mincer, "Poverty and the Labor Market," in The NBER Survey of Research into Poverty Labor Markets, pp. 3-5.

[106] Oscar Ornati, Poverty Amid Affluence, p. 84.

[107] Lester C. Thurow, Poverty and Discrimination, pp. 177-181.

The relationship between poverty and unemployment may take a different and less direct form. There are a significant number of workers who have "low incomes" but whose earnings are sufficient to keep them above the poverty level. Unemployment rates are in general higher for this group than for groups with greater incomes.[109] Thus, the probability of being unemployed at some time is greater for members of low income groups than it is for higher income groups, even though the low income workers are not in poverty. Working members of the nonpoor, low income groups are unlikely to have monetary reserves sufficient to allow them to endure even medium length periods of unemployment. In addition they are unlikely to be able to afford adequate job information or spend much time in job search. Because of this, unemployment for workers in this group may force them to accept the first available job, often an inferior job with below poverty earnings.

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[108] David R. Essig, Labor Force Participation in Rural Nonfarm Areas of North Carolina in 1960, Discussion Paper No. 56, (Madison, Wisconsin: Institute for Research on Poverty, 1969).

[109] U.S. Department of Commerce, Bureau of the Census, Characteristics of the Low-Income Population, 1971, Current Population Reports, P-60, No. 86, (Washington, D.C.: Government Printing Office, 1972).

TABLE 24

METHODS USED BY FAMILY TO MEET LIVING EXPENSES DURING UNEMPLOYMENT, BY FAMILY POSITION OF UNEMPLOYED PERSON[1] AND DURATION OF UNEMPLOYMENT, 1961

(PERCENT DISTRIBUTION)

Method	Duration of Unemployment in 1962	
	5 to 26 Weeks	27 Weeks or More
Used savings	49.1	39.9
Borrowed money	23.7	18.8
Moved to cheaper housing	8.8	12.0
Sold property	4.3	4.5
Received help from friends or relatives outside the household	18.0	22.5
Received cash assistance from public or private welfare agencies	5.6	13.2
Received other public assistance	9.1	18.7

[1] Includes persons 18 years old or older in April 1962 who were able to work, not in school, and who had some prior work experience.

Note: Sum of percents adds to more than 100 because many families resorted to more than one method.

Source: Figures derived from Stanley Lebergott, Men Without Work (Englewood Cliffs, N.J.: Prentice-Hall, Inc., 1964), p. 144.

Through this sequence of events, unemployment may be the cause of an addition to the ranks of the working poor.

The last two poverty-unemployment relationships discussed above reinforce a belief already held by many that the duration of unemployment rather than the overall rate may be the most important factor in the relationship between poverty and unemployment. Although a short period of unemployment may not have a significant adverse effect on the family, unemployment of long duration can cause economic hardship and poverty even in families which had previously been considered "well-off." Table 24 gives an indication of this by relating sources of income or purchasing power for the unemployed to the duration of unemployment. Few families can endure sustained unemployment of the head without slipping into poverty. Obviously, the lower the income prior to unemployment, the shorter the time period until the family may find itself below the poverty level.

The discussion in Chapter Two revealed that although the unemployment rate for the Mid-South in 1970 was not high by current standards it was substantially above that of the South and the U.S. for the same time period for both males and females. The percentage of the labor force working 26 weeks or less was also substantially higher in the Mid-South than for the South or the Nation, lending support to the assumption that the duration of unemployment was longer than average for a relatively high percentage of the Mid-South's labor force.

There is no direct information on the possible detering effect which high unemployment has on labor force participation. However, it is a fact that the labor force participation rates for both males and females are lower in the Mid-South than in the U.S. as a whole.[110]

To date nothing in this study has established any relationship between unemployment and poverty that has not already been discussed. The Mid-South is an area of the country with a higher than average incidence of poverty and a higher than average rate of unemployment. Further study is currently being conducted which hopefully will help clarify the relationships, if any, between these two variables.

Disability

When a person becomes disabled his income is often drastically curtailed. He is no longer a participant (or a full participant) in the labor force, as he is now outside of the productive economy (or, if he does work, his productivity is often greatly reduced).[111] As a result of disability, or other health problems,[112] low income families lose a greater proportion of their income than more affluent persons.[113] Such a phenomenon occurs because persons in higher paying jobs are more likely to have sick leave benefits, disability insurance and other financial resources to help tide them "over." It is no surprise, therefore, that disability and illness have a greater impact on the poor than the more affluent.

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[110] See Chapter Two, page 29.

[111] A study conducted by the Institute for Research on Poverty based on a pre-1960 national health survey pointed out that ". . .9 percent of the individuals [of all income levels] reported some work limitations from a disablement [James N. Morgan, et al., Income and Welfare in the U.S. (New York: McGraw-Hill, 1962), p. 253.]

[112] The future plans of this study with respect to health as a causal factor of poverty are discussed in Chapter Six.

[113] Myron J. Lefcowitz, Poverty and Health (Madison, Wisconsin: The University of Wisconsin--Institute for Research on Poverty, June 1970), p. 16.

An Institute for Research on Poverty study has pointed out that:

> . . .Persons with one or more chronic conditions are indeed more likely to report family incomes under $5,000 than those without these conditions.[114]

Therefore, even when such factors as age, education, and race are taken into account, disability is associated with decreasing (or no) labor force participation, decreasing wages, and decreasing number of hours worked.[115]

Regardless of income, residents of rural areas (especially the aged) are much more likely to have disabiling chronic health conditions than their urban counterparts. Rural residents have higher rates of injuries than urban residents, they have more days of restricted activity, and lose more days from work due to illness and injury than their urban counterparts.[116] They also experience the highest rate of injuries caused by work related accidents, have less access to appropriate health services early in illness--resulting in greater disability, and receive fewer physician visits per person; one-fourth of them never see a dentist.[117] In sum, there is a scarcity of health manpower and facilities in low-income rural areas.

Unfortunately, there is almost no information available from the 2nd and 4th counts of the Census, and the primary survey instrument of this study did not have a goal of collecting in-depth health and disability information.[118] Therefore, it is a very provisional conclusion, primarily based on previous works, to say that disability is a correlate of poverty. Twenty-one and seven-tenths percent of the 106 families in the primary survey experienced some sort of disability. In addition, 22 persons stated that they had left "a job" for health reasons. Many were collecting social security and had satisfied the administrative and disability requirements. On the other hand, there were many who claimed disability but were not receiving any sort of assistance. There are, of course, some who would probably draw some sort of social security benefits if they could satisfy the pre-disability work quarter requirements. However, during the post interview debriefing sessions, a number of the interviewers stated that they believed that the interviewees had been less than truthful on disability questions. Heads of households who had recently imbibed were found quite often which poses the possible analytical problem of the relationship between poverty and disease, mental illness, alcoholism and drug addiction--all beyond the scope of this study.

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[114] Ibid., pp. 1 and 3.

[115] James N. Morgan, et al., Income and Welfare, p. 253.

[116] President's National Advisory Commission, The People Left Behind, pp. 61-63.

[117] Ibid.

Old Age

Old age and retirement for most individuals means a serious reduction in income. Those individuals who were below the poverty line before retirement are forced even farther down by retirement. This, of course, is not true of all societies nor was it true in our own society thirty to fifty years ago. In the past, agrarian societies venerated the aged and provided for them.[119] The industrial revolution with its changing mores created the nuclear family and reduced the security offered the aged by the extended family. There is no longer a younger family member to take over as the major income earner when the head retires.

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[118] Future plans and recommendations with respect to health and poverty are discussed in Chapter Six.

As might be expected, the high incidence of poverty among the elderly is due to a low rate of labor force participation.[120] Factors such as:

> . . .forced retirement, age discrimination in the labor market, and high illness rates combine to remove 72 percent of the men and 90 percent of the women over 65 from the active labor force. . . . Data provided by the Social Security Administration indicate . . . [that some] . . .65 percent of all individuals age 65 and over are women.[121]

Incomes of elderly persons are usually substantially below those of the younger persons and are not to a great extent derived from gainful employment. The likelihood of families headed by persons 65 years of age or older being in poverty is twice that of younger persons. Kreps, et al., pointed out the growing problems of the aged in a study that revealed that the purchasing power of the aged (due to low income and inflation) is decreasing.[122] The long-run decline in the labor-force activity of older men is complicated further in rural areas by the lower earnings during worklife and lower (than urban) retirement benefits.

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[119] David Hamilton, *A Primer on the Economics of Poverty*, p. 64.

[120] Joseph W. McGuire and Joseph A. Pichler, *Inequality: The Poor and Rich in America* (Belmont, Calif.: Wadsworth, 1969), p. 76.

[121] *Ibid*.

[122] Juanita M. Kreps, ed., *Employment, Income and Retirement Problems of the Aged* (Durham, N.C.: Duke University Press, 1963), p. 126.

The incidence of both illness and unemployment increased for the aged, and poor aged families have little protection against the costs of illness. Medicare has certainly removed one large portion of the burden; however, many of the aged (especially females) are not eligible for the program. Furthermore, there are still many states which do not have medicaid programs.

The incidence of poverty among elderly whites, substantial everywhere, is highest in predominantly rural areas such as the South. Thomas, in a recent study claims (based on the 1967 Survey of Economic Opportunity) that the population over 65 years of age in the South increased 14 percent in the eight year period since 1959--with whites registering the most gain.[123] An increasing elderly population which receives little support from the family and which is influenced by a trend of lower purchasing power is almost certain to be found in poverty with limited prospects for moving out.

In terms of the rural aged it has been noted that ". . .the rural elderly in turn have less money income per person or family than the aged living in urban areas."[124] Kreps also points out the existence of the interrelationship of poverty correlates by stating that there is a:

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[123] George Thomas, "Regional Migration Patterns and Poverty Among the Aged in the South," Journal of Human Resources, Vol. VIII, No. 1 (Winter 1973), pp. 78-79. Thomas also notes that whites ". . .are less likely to be living in poverty than elderly blacks. . ." and ". . .that the poverty rates for both male and female aged blacks in the region are more than double the rates for whites in 1967." What Thomas fails to note, however, is that in absolute terms, for example, there are almost three times as many whites than blacks in the 65-74 age group.

[124] Juanita Kreps, "Rural Poverty: The Special Case of the Aged," in Rural Poverty in the U.S., p. 40. It may be argued that rural poor need less as costs of living and the resources available on a farm make it such that family income does not need to be as high in rural areas (than urban) to maintain the same level of living. Indeed, the current poverty levels devised by the Social Security Administration are based on this philosophy. Although all the evidence is far from being in on this subject, there is some preliminary indications that perhaps not all costs of living are lower in rural areas and the contribution of the farm is overestimated.

> . . .double handicap of being both aged and of rural residence [which] is further accentuated by the lower educational level of the elderly, and the particularly low educational attainment of the rural aged.[125]

The results of this study would seem to indicate that advanced age is a major factor in poverty of whites in the Mid-South. The number of white elderly persons in the nonmetro Mid-South is higher than that for the U.S. as a whole--12.2 percent vs. 9.9 percent. Not only is the number of aged whites proportionately higher in the Mid-South than the U.S., the number of white male poverty headed households over age 65 is also higher--30.3 percent vs. 27.8 percent. Of the 106 households for which primary survey data were collected as part of the in-depth three county analysis, 28 (or 26 percent) of the heads of households were over age 65. Although a large number of unrelated individuals over age 65 are not accounted for in this study, it appears that old age through withdrawal from the productive economy or reduced labor force activity is a significant correlate of poverty in the Mid-South.

Female Headed Families

As a subgroup of total families, female headed families have a much higher than average poverty rate.[126] The risk of poverty for a female headed family is not only high but may be increasing.[127] It is not, however, the absolute fact of presently being a family with a female head that is important. Rather it is the sudden change which comes with death of the household head (or divorce, separation, or desertion) which substantially increases a family's probability of falling below the poverty level. In a study of movements in and out of poverty between 1965 and 1966, Kelly found that:

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[125] Ibid.

[126] In 1970, 32 percent of the female headed families in the U.S. were in poverty compared to 11 percent of the total families. (U.S. Bureau of the Census, Census of Population: 1970, General Social and Economic Characteristics, PC(1)-C1.)

[127] Oscar Ornati, Poverty Amid Affluence, p. 47.

> change in the household head where the sex of the household head is different is likely to be more important than if the sex of the head is the same. Death, marriage, separation, divorce--any of these can lead to a change in the household head and a consequent change in the sex of the head. Also, the sex of the head may be the same over a two-year period. Ranked in order of expected difficulty of escape from or ease of entrance into poverty, the four possible patterns are: (a) Male 1965, Female 1966; (b) Female 1965, Female 1966; (c) Male 1965, Male 1966; (d) Female 1965, Male 1966.[128]

The presence of young children obviously increases the problems of female family heads who suddenly become the sole working family member. However, other factors which restrict potential female earning power are probably more important. Loss of the male head of household may not insure poverty but it most likely leads to reduced income. Part of the ease of entrance (or difficulty of escape) of female heads of households into poverty is due to poor (or lack of) preparation for entry into the labor force which often results in the clustering of females in low-paying jobs.[129] Females are also more often likely to be found in both low-skilled and low-paying occupations. Even though opportunities for women in the labor market today are better, a significant amount of job discrimination still exists. Job discrimination based on sex and the lack of skills still keep women out of high-paying occupations.

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[128] Terrence F. Kelly, "Factors Affecting Poverty," p. 11.

[129] Ibid.

Female headed households have been increasing even faster over the past decade than families in general--24 percent compared with only 14 percent.[130] This phenomenon in the light of Ornati's claim (and that of others)[131] that women heads of families improve their condition countercyclically means the female headed families will become an increasingly significant part of the overall poverty problem. Poor families headed by females seem to have benefited less from increased aggregate demand associated with the boom periods of the 1960's and early 1970's. As a part of the overall poverty problem, female headed families are not as significant in the Mid-South as elsewhere. The proportion of poverty families headed by a female was 15.7 percent, 22.1 percent, and 27.1 percent for the Mid-South, the South, and the Nation, respectively. Thus, numerically the relationship between poverty and a family headed by a female is less significant in the Mid-South than in the South as a whole or in the Nation. However, this is the result of a significantly smaller percent of all families having female heads in the Mid-South than in the South or the Nation. As a percent of female headed families, the number in poverty in the Mid-South is greater than elsewhere--37.6 percent for the Mid-South, 30 percent for the South, and 26 percent for the Nation. A family headed by a female is definitely a factor in causing poverty in the Mid-South.

Intercounty Variations in the Poverty Rate

Although the entire Mid-South displays a high incidence of poverty and might be classified as a "depressed area," poverty of white families is by no means evenly distributed among the 124 counties in the study area. (See Chapter Two, pp. 36-37.) In an effort to obtain further information concerning the causes of this variation, the incidence of poverty in the 124 counties was investigated by using a regression model. The model used was an adaptation of one which had previously been used to investigate poverty among the states of the U.S. This was done to test the extent to which standard poverty variables could explain variations within subareas of a region which has an overall high incidence of poverty. The model developed by Thurow to explain variations in poverty among states was selected because: (1) the model had been used successfully to (explain interstate variations in the total poverty rate) ($R^2 = .98$) relative to the explanatory power of alternative models considered, and (2) Thurow stated in his discussion of the model that it also performed well in predicting white poverty.[132]

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[130] Sar Levitan, Garth Mangum and Ray Marshall, Human Resources, pp. 44-45.

[131] Alan B. Batchelder, The Economics of Poverty, p. 98.

The model contains seven variables designed to measure factors which affect marginal productivity or which affect differences between marginal productivity and income. The model was formulated as:[133]

$$(1) \quad P = a + bF + cN + dL + eE - fW - gI - hD + u$$

where

P = percentage of families in poverty (income less than $3,000)
F = percentage of families living on farms

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[132] Lester C. Thurow, Poverty and Discrimination, p. 170.

[133] The results of Thurow's analyses are:

$$P = 96.5125^{**} + 0.2978F^{**} + 0.1133N^{*} + 0.5410L^{**} + 0.4345E^{**}$$

$$- 0.5368W^{**} - 0.7600I^{**} - 10.3777D^{**} \quad \bar{R}^2 = 0.98$$

* Coefficient significant at 0.05 level.
** Coefficient significant at 0.01 level.

N = percentage of families headed by a nonwhite
L = percentage of families with no one in the labor force
E = percentage of family heads with less than eight years of school completed
W = percentage of population fourteen years old and above who worked 50-52 weeks per year
I = an index of the industrial structure of the state
D = dummy variable for Alaska and Hawaii
u = error term.

Although at one point in this analysis Thurow recognizes that the direction of causation between some of the independent variables and the dependent variable may be two-way or even reversed, he nonetheless states that the model is designed to isolate the major causes of poverty. Since the purpose of this section is to test the same variables in a high poverty area, the validity of the above statement will not be discussed here but assumed accurate.

Adjustments to the Model

It was necessary to adjust Thurow's model in two ways. First, two variables were deleted--the dummy variable for Alaska and Hawaii and the nonwhite variable. Obviously the dummy variable was no longer needed, since its purpose was to correct for a large number of nonwhite inhabitants who were not black. The variable which measures the percent of families headed by a nonwhite was deleted because Thurow stated that its purpose was to measure the impact of discrimination on nonwhites.

The second adjustment, or more correctly set of adjustments, was necessitated by the fact that data for most of the variables used in the model could not be obtained directly from the Census materials. It was necessary to construct county estimates for most variables in the equation.

Data for the number of white families living on farms were not available from the published Census sources for the 124 counties in the study area. Several alternatives were considered, but it was decided to use the number of families with farm self-employed income as a proxy for farm families. The Bureau of the Census defines farm families as any family living on ten or more acres from which sales of farm products amounted to $50 or more during the calendar year or families living on places of less than ten acres from which the sales of farm products exceed $250 during the calendar year. Assuming that the measurement of farm self-employed income was constructed on the same basis, it should be a relatively good measure of the number of families living on farms. However, it could be expected to overstate the actual number by some amount.

There are no Census data which measure families without a labor force participant on a county basis and no strong proxy could be found. As a rough measure of families without labor force participants, it was decided to use the number of families receiving social security and/or general assistance income.

Families receiving social security income include those persons receiving survivors benefits, permanent disability payments, or special benefit payments. Public assistance recipients include those receiving AFDC payments, old age assistance, general welfare payments, aid to the blind, and aid to the totally and permanently disabled. Families receiving payments for most of the above reasons are unlikely to have a labor force participant, although the number who do could be significant. As a partial offset, there are families with no labor force participant who do not receive any of the payments enumerated above. Although admittedly rough, the variable is the best approximation of Thurow's original variable which could be constructed from the Census data.

Data measuring the number of full-time workers are taken directly from the Census figures. There is a difference between these data and those which Thurow used, in that in 1960 the number of workers who worked 50 - 52 weeks was based on the over 14 population, while in 1970 it was based on the over 16 population. It was felt that this should not make a significant difference in the results.

The index of industrial structure was computed as:

$$I = \sum_{i-1}^{n} W_i X_i$$

where

W_i = percentage of the state's labor force in industry i
X_i = the ratio of the U.S. median income in industry i to the general U.S. median income. This index measures the prevalence of high wage industries in the state.

This index is identical in structure to that which Thurow's model incorporated.[134] In order not to incorporate extraneous data into the model, the index was based on the distribution of the white labor force only.[135]

A measure of the educational attainment of family heads on a county basis was obtained by the following method:

$$E' = \frac{X_1Y_1+X_2Y_2}{Y_3}$$

where

E' = percent of family heads with less than 8 years education;
X_1 = percent males with less than 8 years education (age 25 and over);
X_2 = percent females with less than 8 years education (age 25 and over);
Y_1 = number of male headed families;
Y_2 = number of female headed families; and
Y_3 = total families.

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[134] Lester C. Thurow, Poverty and Discrimination, p. 32.

[135] Research using variations of the industrial index is currently being undertaken as an extension of this study to test the relationship of the incidence of white poverty to the overall industrial structure of the county and to the black industrial structure.

This measure of educational attainment of the family head is based on the crucial assumption that the educational distribution of male and female family heads is the same as that of the over 25 male and female population respectively.

There is one additional difference, which could be significant, between the model tested in this study and Thurow's model. Thurow's dependent variable is the number of families with less than $3,000 income in 1959. The dependent variable used in the adopted model is the percent of families in poverty based on the Census poverty index.[136]

The model tested is thus:

$$(2) \quad P' = a + bF' + cL' + dE' + eW' + fI' + u$$

where

P' = percent of white families in poverty;
F' = percent white families receiving self-employed farm income;
L' = percent of white families with no labor force participation;
E' = percent of white family heads with less than 8 years education;
W' = percent of white population 16 years of age and over who worked 50 - 52 weeks per year;
I' = index of industrial structure (white); and
u = error term.

The regression equation yielded the following results:

$$P' = .23 + .19L'^{**} + .08E' + .11F'^{*} - .53W'^{**} + .09I'$$

$$R^2 = .43$$

* Significant at the .05 level.
** Significant at the .01 level.

The most interesting, although not totally unexpected result, is the lack of significance found for the educational variable and the industrial index. Variation in these variables among the counties, with a few exceptions, was not substantial. In addition, the sign of the industrial index is "incorrect." A satisfactory explanation for this has not been found at this point, although efforts to discover the cause are currently under way.

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[136] For reference to a complete discussion of the dependent variable used and the poverty index itself see footnote 11 Chapter One, page 7.

The significance of the variable measuring families on farms was expected, although, given the county by county employment patterns, it is perhaps not as influential a variable as had been anticipated.

The two employment variables were both significant at the .01 level. The nature of these variables and the significance which they display in explaining the variations in the incidence of poverty reinforces the belief that underemployment and/or inability to participate in productive activity are universally major correlates of poverty.

Although statistically significant, the equation itself does not explain a majority of the variation in poverty rates among the white population of the Mid-South on a county by county basis. The results lend support to the conclusion that variables which explain why a total area has a higher incidence of poverty than other areas may not be sufficient to explain poverty variations within that area.

Several qualifying factors must be considered. First, there is a significant amount of intercorrelation between some of the variables, most noticeably between the industrial index and the educational variable. The existence of this intercorrelation between the independent variables, of course, casts a shadow on the findings, particularly on the values of the coefficients. Secondly, in fairness to Thurow's original model, the data used had significant limitations requiring that most of his original variables be estimated, and some estimates may have a large amount of error. New variables which should have less error relative to those used here are now being tested.

Finally, Thurow's model did not test the incidence of poverty directly but used an absolute income cut-off. Although low income and poverty are obviously related they are not identical and, therefore, Thurow's model may be more adapted to explaining low income than poverty when such variables as age and family size are incorporated into the measurement of poverty.

CHAPTER SIX

PROVISIONAL CONCLUSIONS AND RECOMMENDATIONS

The proportion of the white population in the nonmetropolitan Mid-South who are forced to exist on a yearly income below the generally accepted poverty cutoff exceeds that of the white population in similar circumstances in most other areas of the United States. Part of this "problem" is the result of a disproportionately large segment of the white population in the nonmetro Mid-South who possess characteristics which would make them a high poverty risk, no matter where they lived. There are also characteristics of the nonmetro Mid-South which place the entire white population in a position of having a high probability of low income and/or poverty relative to the rest of the U.S. Many factors interact between the characteristics of the area and those of the individuals in the area, creating an overall situation conducive to a high incidence of poverty among the population.

An understudied but ever increasing problem in the Mid-South is the rural elderly who have low-incomes or live in poverty. One of the population characteristics which is more prevalent in the Mid-South than in most of the U.S. is the percent of family heads over 65 years of age.[137] The higher probability of poverty among those over 65 than in other age groups makes poverty of the aged a significant problem in the Mid-South. Beyond this simple fact, those over 65 within the study area are likely to have less access to unearned income (lower social security and lower old age assistance payments) than they would have in other areas of the country. This is a result of the high percent who formerly received their income from agricultural sources. It also stems from the general poverty of the area which results in reduced governmental services, including low public assistance benefits.

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[137] This study included only poverty families who were headed by someone over 65. Consequently, a significant number of the aged who are in the unrelated individuals category were not included in the study. Such an ommission is significant, given the fact that over one-third of the unrelated individuals over 65 live in the South.

The existence of high unemployment and underemployment among the non-aged in the Mid-South probably reduces the access which those over 65 have to supplemental earned income. In addition, the overall industrial structure had not moved in a direction which would expand jobs for the elderly. The many ramifications of nonavailability of jobs for persons close to or past retirement age needs to be assessed.

This study clearly indicates the need for programs designed to aid the elderly in supplementing retirement income through labor force activities in the rural Mid-South. In those cases where this is not feasible, additional retirement or public benefits will be necessary to prevent a large segment of the elderly population from spending their declining years in poverty.

The number of elderly in the Mid-South is increasing at a disproportionate rate. This fact, plus the already discussed problems, makes further study of the elderly poor in the rural Mid-South and in the entire South imperative in the immediate future as well as underscoring the need for programs designed specifically to reduce the financial problems of the rural elderly poor.

Disability is also one of those factors which can cause poverty in any geographic location. The results of this study (primarily due to lack of data) were inconclusive in determining if disability was a more significant cause of poverty in the Mid-South than else where.

What this study does highlight is that here is a high percent of the poor who are disabled and that, like the elderly, the type of jobs which they could fill are unavailable. This stems from the industrial structure of the area and from the low level of education and training which the disabled possess. A tentative conclusion of this study is that disability probably affects the severity of poverty rather than the extent.

The primary survey results indicated that health problems are a factor in keeping poor people in the Mid-South out of productive activities entirely or in reducing their yearly work time. Several of those interviewed cited disability or health reasons for non-labor force participation, yet they could not qualify for disability payments. The extent to which access to proper medical care could alleviate this may be an important aspect in the reduction of rural white poverty in the Mid-South and elsewhere. The nature of benefit programs also needs investigation.

In general, the knowledge of the impact of illness and disability on the family in a rural area is far from plentiful. The effects on the earning capacity of poverty families, of higher death rates, higher infant mortality rates, higher disease rates and lack of physicians, dentists and adequate health facilities needs to be explored.

The incidence of poverty among white female headed households in the study area was found not only to high but to be higher than in the U.S. This is partially the result of the generally inferior position in which women find themselves relative to men in the job market. The type of employment which a female head of household is able to obtain in most parts of the Mid-South is limited to relatively low-paying occupations.

The social and family structure of the area probably helped to reduce the importance of lack of a male head as a cause of the overall poverty rate in the Mid-South. The proportion of white female headed families is lower in the Mid-South than in the U.S. overall. This is due in part to the pressure of maintaining family relationships among the rural white population. Also, the more extended nature of the family and the relationship between families in rural areas makes child care while the female head is working less of a problem than in urban areas--although for many this is still a factor affecting labor force participation.

Enforcement of equal rights for females with respect to job opportunities and pay rates will help somewhat in reducing the percentage of families headed by females which are in poverty. Special training programs designed to aid females who suddenly find themselves as head of the household could help reduce the probability that this event will force the family into poverty, particularly in rural areas where many women seem especially unprepared for labor force participation.

Further, not enough is presently known about the structure and importance of female headed poverty households. Such households are expected to compete with other households on an even basis. It would be interesting to analyze the nature and extent of "disadvantagesness" that such households experience in attempting to maintain an income above poverty level.

While none of the characteristics discussed above are truly independent of the characteristics of the area in which people live, they are much more so than factors such as education and underemployment. It is indeed difficult to separate the individual characteristics from those of the area with respect to some correlates of poverty.

The ever changing role of education in the South (and Mid-South) needs to be examined in terms of increased labor force productivity. Further research is needed to assess the importance of education and training in increasing productivity and, therefore, promoting economic well being and increased income. Identification of those factors providing the highest rates of private and social return, with emphasis on the role of different types of schooling and training, would be useful in drafting policy recommendations.

There is ample documentation that low levels of educational attainment are associated with poverty, and the results of this study bear this out. Lack of education limits an individual occupationally; it also tends to make one less able to manage what income is available in a manner which allows it to be "best" utilized, and in general increases the probability of poverty in many other ways. The low level of educational attainment found throughout the Mid-South makes this factor a prime suspect as a basic cause of poverty in the area.

While low education causes poverty anywhere, living in the Mid-South is associated with low educational attainment--quantity and quality wise. Mississippi and Arkansas, which contain over 60 percent of the Mid-South counties, rank 49th and 50th in per pupil educational expenditures among all states in the U.S. This, of course, affects the type of employment opportunities which are likely to develop in the Mid-South.

In addition to general low educational attainment, this study revealed that there has been little skill training for members of poor rural families. This is not due to the lack of ability or initiative but to lack of available programs and/or lack of information about what few programs do exist. Additional training programs are needed in the rural Mid-South and these programs, as well as already existing programs must be made available to all low-income family heads. In many cases this is an informational problem. In this respect, the factors which keep poor whites out of training programs and the role of manpower training programs in alleviating rural white poverty are areas of study which require investigation well beyond the scope of this research.

Although the measures of underemployment utilized to assess the existence and nature of underemployment are far from perfected, they do give some insight into the relationship between underemployment and poverty. Chapter Two indicated that although underemployment of males is not unique to the Mid-South, it does appear to be substantially greater in the Mid-South than in the rest of the Nation. Underemployment of females occurs throughout the U.S. also; however, it too appears to be more severe in the Mid-South.

Although all the relationships between underemployment and poverty have not always been adequately examined, it is known that underemployment is more critical for low-income and poverty families. The type of underemployment more relevant to poverty is the "quantity" type or part-time worker who not only wants to work full time but needs to.

The "discouraged worker" may also be considered as another type of underemployment. Underemployment of this type is viewed from the standpoint of the economy in which resources are not being fully utilized.

Such underemployment appears to be more prevalent in the Mid-South than in the U.S. Lower (relative to the U.S.) labor force participation rates for both males and females in the Mid-South lends credence to this claim. Furthermore, the primary survey part of the study "uncovered" a number of such individuals who had simply withdrawn from seeking work, due to the lack of full time jobs. Underemployment in all probability adds to the problems of the poor who are disabled and elderly, and to poor female household heads. It is also an indication of "deficiencies" in the economic base of the area.

There is definitely a need for additional research on underemployment related to the Mid-South. Such research would attempt to better delineate the concept and methods of measuring underemployment. It would also analyze underemployment from the standpoint of the individual, the employer, the community and the economy as a whole.

Underemployment, unemployment, and nonlabor force participation through the discouragement effect may all be symptoms or results of the same or similar problems in rural areas. It may therefore be desirable to investigate them in this light, that is, to develop a measure of "subemployment" and relate poverty to this concept rather than to its individual parts. Such an approach may add significant insight into the relationship between poverty among poor whites in the rural Mid-South and the labor force activity of this population subgroup.

The nature of poverty and many of the characteristics of the poor in the study area affect and are affected by the area's industrial structure. Employment in the Mid-South is dominated by low-paying, labor-intensive manufacturing industries and by agriculture. The predominance of near minimum wages among the working poor interviewed in this study attests to the relationship between this fact and poverty. Not only is such an industrial base associated with low pay, it contains a disproportionately high number of jobs subject to seasonal and/or casual employment and high general unemployment. The lack of educational attainment and lack of skills among the population contributes to this type of industrial structure. In addition, the inadequate transportation facilities in much of the Mid-South means that large sections of the area remain relatively isolated. Industries which require large regional or national markets are unlikely to locate in the more isolated portions of the nonmetropolitan Mid-South. Lack of public transportation facilities prevents many workers from moving out of their immediate area of residence to seek employment.

The low-income of the area, in addition to being caused by the industrial structure, restricts economic growth because of limited potential in local markets for industrial output. Although this study definitely supports the position that the current industrial structure contributes to the high rate of poverty in the Mid-South, it is deficient in its ability to ascertain what precise factors contribure to the continuing resistance of the Mid-South to the industrial development necessary for substantial poverty reduction. It is unlikely that unemployment, underemployment, and low productivity, all of which are factors in the poverty problem, will be substantially reduced without changes in the composition of the Mid-South's industrial base.

A relationship(s) between the factors discussed above and the high rate of poverty in the Mid-South was strongly indicated by this study. The exact nature of those relationships is still open to differing interpretations, and further study is needed in many cases to isolate cause and effect. In addition, this study yielded indications of other relationships which further investigation may prove important.

The inability of such general poverty models as Thurow's to explain county poverty variation dictates much additional research. Such research will seek to identify new variables to be included in this or similar such models.

The extent to which isolation in general causes poverty also merits further inquiry. Nonexistance of jobs, lack of training and poorer education may be related to distance from urban areas.

Intercounty analysis revealed an apparent relationship between relative isolation (distance from a town of 25,000 or more population), absolute county size, and the white poverty rate. Although such possible relationships have been hypothesized previously, they are not yet clear and could benefit from further study, not only in the Mid-South but in all rural areas. In particular, the extent to which isolation allows labor market imperfections to reduce labor incomes needs study.

The relationship between racial discrimination and white poverty in the Mid-South deserves further investigation. Differences in degrees of poverty in those counties where whites are a majority and where their numbers were small has not been adequately explained.

County by county analysis yielded some possible relationships which need to be studied with regard to intercounty variations in poverty rates as well as with respect to their effect on the overall Mid-South poverty rate. For example, there appears to be a relationship between the absolute and/or relative size of the black population in Mid-South counties and the rate of white poverty in the counties. It is also quite possible that solutions to the black and the white rural poverty problems, particularly in the South, are inseparable. The relationship which preliminary analysis indicates is present in the Mid-South makes this prime area for studying possible cause and effect relationships and/or interrelationships.

Further, black poverty in the Mid-South needs to assessed for comparative purposes in order to ascertain whether black or white poverty is unique. Unique and common causes of white and black poverty need to be indentified.

Although the relationship between unemployment and poverty has been questioned, there is a correlation between white poverty rates and white unemployment rates in Mid-South counties. The possible cause and effect relationship cannot be totally dismissed, as some have done, without further investigation.

There are many other factors which would influence the nature and the extent of rural white poverty, any one or all of which deserve investigation. However, one merits special mention. This study, in a limited manner, investigated the attitudes of the rural white poor toward work. The results were in some ways surprising. The relationship between attitudes and the alleviation of poverty is not clear but must certainly be important. Further, attitudes of poor rural whites toward poverty programs and manpower training programs, especially in the South, needs investigation. If these attitudes are significantly different from those of the urban poor or the nonwhite poor, this fact must be considered in formulating solutions to problems of the rural white poor.

In sum, it would appear that additional research is needed in a number of areas before any final conclusions can be reached concerning all the determinants of white poverty in the Mid-South. Such research and data collection would, of course, be useful in understanding rural poverty in general and rural poverty in other regions of the U.S. Formulation of a comprehensive rural manpower policy and policies for the eradication of rural poverty would naturally evolve. Future research will also attempt to assess the need for comprehensive or categorized manpower or poverty programs in rural areas. Research to date indicates that rural poverty is unique, however, additional data collection and research are needed before the answer can be given to the question of whether or not white rural poverty is unique.

Appendix A

Study Area of Counties

By economic areas (Bogue & Beale) the Mid-South area includes the following counties:

(1) Region VII
    (a) Subregion 53 (Jackson Purchase Area)
    Ballard
    Calloway
    Carlisle
    Fulton
    Graves
    Hickman
    McCracken
    Marshall

    (b) Subregion 74 (Arkansas River Valley--Southeastern Ozard Slopes Area)
    Conway
    Faulkner
    Independence
    Randolph
    Sharp
    White

    (c) Subregion 73 (Ozark Plateau-Arkansas Area)*
    Baxter
    Cleburne
    Fulton
    Izard
    Searcey
    Stone
    Van Buren

(2) Region VIII
    (a) Subregion 55 (Middle Tennessee Valley Area)
    Colbert
    Lauderdale
    Lawrence
    Morgan

    (b) Subregion 56 (Alabama Upper Coastal Plain Area)*
    Franklin
    Lamar
    Marion

    (c) Subregion 60 (Mississippi Pine Hills Area)
    Alcorn
    Calhoun
    Itawamaba
    Lafayette
    Pontotoc
    Prentiss
    Tippah
    Tishomingo
    Union

---

[*] Not all counties included.

(d) Subregion 60 (Tennessee Fall Line Slopes Area)
Benton
Carroll
Chester
Decatur
Hardin
Henderson
Henry
McNairy
Weakley

(e) Subregion 61 (Tennessee Bluff Hills & Jackson Plain Area)
Crockett
Dyer
Fayette
Gibson
Hardeman
Haywood
Lake
Lauderdale
Madison
Obion
Tipton

(f) Subregion 61 (Mississippi Delta Fringe & Bluff Hills Area)
Benton
Carroll
DeSoto
Grenada
Holmes
Madison
Marshall
Panola
Tate
Yalobusha
Yazoo

(g) Subregion 44 (Western Highland Rim Area)*
Humphreys
Perry
Wayne

(h) Subregion 59 (Mississippi Piney Woods-Western Area)*
Attala
Montgomery

(i) Subregion 59 (Mississippi Piney Woods-Eastern Area)
Choctaw
Webster
Winston

(3) Region X
(a) Subregion 57 (Mississippi Black Prairie Area)
Chickasaw
Clay
Lee
Lowndes
Monroe
Noxubee
Oktibbeha

(b) Subregion 75 (Crowley's Ridge and Arkansas Prairies-Southern Area)
Arkansas
Lonoke
Prairie

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*Not all counties included

(c) Subregion 75 (Crowley's Ridge and Arkansas Prairies Area)

Clay
Craighead
Cross
Greene
Jackson
Lawrence
Monroe
Poinsett
Woodruff

(d) Subregion 76 (Mississippi Delta-Arkansas Section--Northern Area)*

Lee
Mississippi
Phillips
St. Francis

(e) Subregion 76 (Mississippi Delta-Arkansas Section-Southern Area)*

Chicot
Desha
Lincoln

(f) Subregion 76 (Mississippi Delta-Yazoo Area)

Bolivar
Coahoma
Humphreys
Issaquena
Leflore
Quitman
Sharkey
Sunflower
Tallahatchie
Tunica
Washington

(g) Subregion 76 (Mississippi Delta-Missouri Section-Northern Area)

Butler
Scott
Stoddard

(h) Subregion 76 (Mississippi Delta-Missouri Section-Southern

Dunklin
Mississippi
New Madrid
Pemiscot

(i) Subregion 73 (Ozark Plateau-Eastern Area)*

Carter
Oregon
Ripley
Wayne

---

* Not all counties included.

Appendix B

Primary Survey Instrument

1. Name of household head ____________________

2. Address ____________________

3. Age of household head __________ 4. Sex of household head M F

5. Marital status of household head: Married Single Divorced

Separated ____________________

6. Number of persons in household _______ Under 18 _______Over 65 _____

7. Is the household head (are you) currently employed? Yes No

8. What is the household head's (your) occupation? ____________________

9. Do you grow any of your own food? Yes No (IF NO GO TO QUESTION 10) If yes, how many acres (parts of an acre) do you plant for house hold use?

10. What was the total money income of this house hold last year?

IF HOUSEHOLD HEAD IS EMPLOYED GO TO QUESTION 10 ON QUESTIONNAIRE.

IF HOUSEHOLD HEAD IS NOT EMPLOYED GO TO QUESTION 27 ON QUESTIONNAIRE.

10a. What is your current wage Hourly _______ Weekly ________________

11. How long have you had your present job? Less than 6 months ___________

6 months-one year _________ More than one year ____________

12. If less than one year, how long did you work at your previous job? What was your rate of pay at this job

Hourly ____________ Weekly ________________

13. Do you hold any other job(s) at the present time? yes no

ANSWER THE FOLLOWING QUESTIONS CONCERNING THE PRIMARY JOB ONLY

14. How do you feel about the job you have now? (con't)

14. Respondents comments: ____________

____

Like it very much
Like it fairly well
Dislike it somewhat
Dislike it very much

15. What are the things you like best about your job? (Try to obtain three)

1. ________________________________
2. ________________________________
3. ________________________________

16. What are the things about your job that you don't like so well? (try to obtain three)

1. ________________________________
2. ________________________________
3. ________________________________

17. What would you say is the more important thing about any job- good wages or liking the kind of work you are doing ?

Good wages
Liking the work

18. a. How long do you think you will continue to work at your present job?

Less than one year ______ (ASK b) 1-4 years ______ (ASK b)

5 years or more ______ (SKIP TO 19) As long as I can ______ (SKIP To 19

Don't know ____________ (SKIP TO 19)

b. What do you plan to do immediately after you stop working at your present job?

Take another job I know about ____________
Look for work ____________
Just stay home ____________
Go to school, additional training ____________
____

Other ______ Specify ______

19. If for some reason you were to permanently lose your present job tomorrow, what would do?

Retire ________________________ (ask 20)

19. Take another job I know about (skip to 21a)
Go into business (skip to 22a
Look for work (skip to 23a)
Go on Welfare (skip to 25)
Other (skip to 26)

20. (If "retire in 19) Why do you think you would retire?

21. a. (If "take another job" in 19) For whom would you work

b. What kind of business or industry would this be?

c. What kind of work do you think you would be doing?

d. Where is this job locatee? City or county ________ State ________

22. a. (If "go into business" in 19) What kind of business

b. Where would this business be located? City or County ________
State ________

23. a. (If "look for work" in 19) What kind of work would you look for?

b. How would you go about looking for this kind of work?

Check with public employment agency
Check with private employment agency
Check directly with employers
Place or answer ads
Check with friends or relatives
Other (specify)

24. Are there any particular employers to whom you would apply?

1.

2.

3.

Why do you mention these employers?

25. (If "go on welfare" in 19) Why do you think you will be eligble?

____

26. (If "other" in 19) What will you do? ____________________

Why? ____

SKIP TO QUESTIUN 45

27. How long have you been unemployed?
Less than 4 weeks ________
4 to 8 weeks ________
2 to 6 months ________
6 to 12 months ________
More than 12 months ________

28. What type of work do you do when employed full time (occupation)

____

29. When was the last time you held a full time job (approximate date)

____

30. When was the last time you actively looked for work (approximate date) ____________

IF ANSWER TO 30 IS WITHIN LAST FOUR WEEKS ANSWER QUESTIONS 31-36

IF ANSWER TO 30 IS WITHIN LAST FOUR WEEKS AGO GO TO QUESTION 37

31. What kind of work are you looking for? ____________________

32. How much would the job have to pay for you to be willing to take it?
$______ per ________
Don't know ________

33. How many hours per week do you want to work? Hours ____________

34. Are there any restrictions, such as hours or location of job that would be a factor in your taking a job?
No ________________ (go on to question 35)

Yes ________________ What are these restrictions

IF RESPONDENT HAS NO CHILDREN IN THE HOUSEHOLD (CHECK QUESTION6): SKIP TO 36a

35. a. Will it be necessary for you to make any special arrangements for the care of your child(ren), if you find a job? Yes No

b. (If 35a is yes) What arrangements will you make? Child willbe cared for:

35. b. (con't)

In own home______by relative______by nonrelative_______

In relatives home

In nonrelatives home

At school or group care center

Don't know

36. What do you expect to be doing five years from now--working or something else?

Working__________What kind of work______________________

Staying home

Going to school, get additional training

Other ______(specify

Don't Know_____________________

SKIP TO QUESTION 42

37. a. If you were offered a job by an employer do you think you would take it?

Yes_______________

It depends___________On what

No__________________(if no skip to 38)

b. What kind of work would it have to be____________________

c. What would the wage or salary have to be $________per___________

d. Are there any restrictions, such as hours or location of job that would be a factor in you taking the job?

Yes__________What are they__________________________________

____

No

e. Why would you say you are not looking for such a job now?______

____

f. Do you expect to look for work in the next 6 months? Yes No

IF RESPONDENT HAS NO CHILDREN IN THE HOUSEHOLD (CHECK QUESTION 6: SKIP TO 39)

38. Would it be necessary for you to make special arrengements for the care of your child(ren) if you were to take a job? Yes No

If no, why not?______________________________________

IF RESPONDENT IS ATTENDING SCHOOL--SKIP TO 40

39. What do you expect to be doing five years from now--working or something else?

Working___________What kind of work________________________

Staying home________________________

Going to school, get additional training____________________

Other__________________(specify)__________________________

Don'tknow____

40. What would you say is more important to you in deciding what kind of work you want to go into, good wages or liking the work?

Good wages_______________Liking the work___________________

41. While answering questions 37-40 was another person present?
Yes No

Would you say this person influenced the respondents answers?
Yes No

42. Do you have any health problems (such as illness, disability, etc.) which prevent you from taking a job at the current time?

Yes No If yes, describe__________________________

____

43. Have you ever left a job because of health problems? Yes No

44. Are there any problems other than health which would prevent you from taking a job at the present time? Yes No

If yes, describe ____

45. What is the best (highest paying) job you ever held?

$___________per_________________

46. Are there any other members of your family (household) currently employed? Yes No

47. If yes, how much do they earn? $______per__________

48. Do you currently receive:

social security__________ $____________________
food stamps __________ $____________________
welfare __________ $____________________
Medicare or
Medicaid __________ $____________________

49. Do you receive income in cash from any other source? $________ per__________

Describe the source______________________________________

50. What is the highest grade in school which you completed?________

51. Have you ever received training from a formal training program? Yes No

If yes, specify type(s)__________________________________

52. If currently employed: Does this training help you in your current job? Yes No

53. Have you ever received training on a job? Yes No

54. If yes, and currently employed: Does this training help you on your current job? Yes No

55. Do you feel that not having more education has hurt you in any way? Yes No

Why do you feel this way?________________________________

56. a. Would you be willing to go back to school to get more experience, education, or skill?
Yes____________ask 56b and c

No____________ Skip to 57

b. What do you want; basic education, job training, or something else?

Basic education - only____________
Job training - only____________
Something else ____________
Basic education and job training______________
Basic education and something else__________
All three kinds______________

c. Do you expect that you actually will get this education or training?

Yes________________When?_____________________

No_________________Why not?

Don't know______________________

57. Have you ever had the opportunity to participate in a government training program? Yes No (If no skip to 59)

58. Did you participate? Yes___________If yes skip to 60 No________

If no why did you not participate in the program?_________________

____

____

59. What would it take to get you to participate in a government training program?

____

____

60. Based on your personal experience or that of people you know, do you have any comments concerning government programs?

Yes No If yes, what are these comments?______________________

____

61. What suggestions, if any, do you have for improving government training programs?
None. Suggestions____

____

62. What would you like to be doing 10 years from now?

working--what kind of work?
same job
retired--age
don't know
other (specify)

63. Ask reason why for answer in (62) above

____

____

64. What do you think your chances are of actually getting a better (or different) job?

excellent
good
fair
poor

65. Why do you think your chances are not good?

poor grades
lack of education
lack of experience
other (specify)

66. How do you feel about your (wife, husband or other members of the family) working?

like it very much
like it somewhat
not care either way
dislike it somewhat
dislike it very much

67. How does your (wife, husband or other members of the family) feel about your working?
like it very much
like it somewhat
not care either way
dislike it somewhat
dislike it very much

68. If by some chance you were to get enough money to live comfortably without working, do you think you would work anyway?

yes
no
undecided

a. why do you feel this way about your work?

____
____
____

b. why do you feel you would not work?

____
____
____

c. Upon what would it depend?

____
____

69. Do you think you will ever have enough money to live the way you would like to live?

    yes
    no

70. How will you obtain such money?

    work
    don't know
    other

71. What makes people respect others?

    money
    house
    car
    job
    reputation
    other

72. Why do you think people work?

    money
    status
    personal satisfaction
    other

73. It is important that people have the respect of others.

    strongly agree
    agree
    disagree
    strongly disagree
    no opinion

74. It is difficult to be respected and not be employed unless one is sick, old, or at home taking care of children.

    strongly agree
    agree
    disagree
    strongly disagree
    no opinion

75. It is doubtful that one could get by and have a good live without working.

    strongly agree
    agree
    disagree
    strongly disagree
    no opinion

76. It is probably impossible for one to have a job that he really likes.

strongly agree
agree
disagree
strongly disagree
no opinion

77. If you had your life to live over, and you could change it any way you wanted to, what would you do differently?

____
____
____

78. Many of the unhappy things in people's lives are partly due to bad luck.

strongly agree
agree
disagree
strongly disagree
no opinion

79. Becoming a success is a matter of hard work; luck has little or nothing to do with it.

strongly agree
agree
disagree
strongly disagree
no opinion

80. What happens to me is my own doing.

strongly agree
agree
disagree
strongly disagree
no opinion

81. If one makes plans, he can usually make them work.

strongly agree
agree
disagree
strongly disagree
no opinion

82. A person's life is controlled by accidental happenings.

strongly agree

82. (con't)

- agree
- disagree
- strongly disagree
- no opinion